



5th Annual National Small Business Conference

"Success: Survival & Beyond"

19 - 21 May 2008

San Diego, CA

Agenda

Tuesday, 20 May 2008

Welcoming Remarks:

Mr. Pete Steffes, Vice President, Government Policy, NDIA

SESSION 1: WHERE SMALL BUSINESSES FAIL

"What leads to small businesses failing after initial success?," *Mr. Bill Scheessele*, President, MBDi

SESSION 2: SUPPLIER DIVERSITY

Ms. Jean Ann Grandinetti, Director, Supplier Diversity, Agility Defense and Government Services

SESSION 1: IS THERE A CHANGE IN YOUR FUTURE?

Mergers, Acquisitions, and Small Businesses

- *Mr. John Allen*, Co-Head Defense and Government Services Group, BB&T Capital Markets
- *Mr. Nick Howland*, Director and General Manager, Retail Division BAE Systems Products Group

Wednesday, 21 May 2008

TRENDS IN SBIR/SSTRS

What can small businesses really do?

- *Dr. Steve Stewart*
- *Mr. Lee Rosenberg*, Director, Office of Small Business Programs, Missile Defense Agency

EXPANDING FROM DEFENSE TO OTHER "MARKETS"

Panel moderated by *Mr. Greg Nelson*, President, Naples Chapter, SCORE

LUNCHEON SPEAKER: *Mr. Ron Lane*, County of San Diego

MARKETING OUTSIDE YOUR LOCAL AREA

Panel moderated by *Mr. Al Heisig*, President & CEO, ALANSA

- *Mr. Ralph C. Thomas, III*, Buchanan Ingersoll & Rooney P.C.

SESSION 1: FOSTERING TECHNOLOGY INNOVATION IN SMALL BUSINESSES

- *Mr. Larry Trammell*, CEO, TechFlow, Inc.

5th annual national **SMALL BUSINESS** conference

Success: Survival & Beyond



Title Sponsor

SAIC
From Science to Solutions

MAY 19-21, 2008

WWW.NDIA.ORG/MEETINGS/8140

HYATT REGENCY LA JOLLA ► SAN DIEGO, CALIFORNIA

EVENT #8140

MONDAY MAY 19 2008

11:00 am - 6:30 pm — REGISTRATION OPEN

Pre-registered attendees may visit the registration desk at this time to check-in and pick up their name badge and conference materials. Anyone who wishes to register onsite can do so during this time.

11:00 am - 4:30 pm — DISPLAY SETUP

Displays will be setup at tables on a first-come first-served basis. Come early to get the best location!

5:00 pm - 6:30 pm — OPENING RECEPTION IN DISPLAY AREA

Join your fellow conference attendees for the kick-off event of the conference. Network with government and industry over beverages and hors d'oeuvres while you walk the display floor.

TUESDAY MAY 20 2008

7:00 am - 6:30 pm — REGISTRATION OPEN

7:00 am - 8:00 am — CONTINENTAL BREAKFAST

8:00 am - 8:30 am — WELCOMING REMARKS

- ▶ Lt Gen Lawrence Farrell, Jr., USAF (Ret), *President & CEO, National Defense Industrial Association*
- ▶ Mr. Tyrone Taylor, *Chairman, NDIA Small Business Division; President, Capitol Advisors on Technology, LLC*
- ▶ Mr. Pete Steffes, *Vice President, Government Policy, NDIA*

8:30 am - 9:15 am — KEYNOTE ADDRESS

THE CUSTOMER'S VIEW: WHAT SMALL BUSINESSES CAN BRING TO THE TABLE

- ▶ Mr. Dennis Bauman, *Joint Program Executive Officer, Joint Tactical Radio System*

9:15 am - 9:45 am — PARTNER ADDRESS

THE FUTURE OF TEAMING

View from the large company's perspective

- ▶ Mr. George Otchere, *Senior Vice President & Director of Small Business Programs, SAIC*

9:45 am - 10:30 am — BREAK IN DISPLAY AREA

10:30 am - 12:00 pm — PANEL

SMART EXPANSION FOR SMALL BUSINESSES

Panel moderated by Mr. Bob Lopez, Accenture

- ▶ Mr. Hany Girgis, *President, SGIS*
- ▶ Ms. Georgia Griffiths, *President, G2 Software Systems, Inc.*
- ▶ Mr. Todd Reach, *President, KAB Laboratories*

TUESDAY MAY 20 2008 CONTINUED

12:00 pm - 1:30 pm — LUNCH & AWARDS PRESENTATION

DR. KATHLEEN P. SRIDHAR SMALL BUSINESS EXECUTIVE OF THE YEAR AWARD

The Sridhar Award and medal recognize leadership and strategic impact in the defense small business sector. It is bestowed annually on a defense industry small business executive who best reflects Dr. Sridhar's leadership excellence and support for a robust small business sector in the defense industrial base.

Presented by Lt Gen Lawrence Farrell, Jr., USAF (Ret), President & CEO, NDIA

With Mr. Ruben Garcia, District Director, U.S. Small Business Administration's San Diego District Office

1:30 pm - 3:00 pm — AFTERNOON BREAKOUT SESSIONS

SESSION 1: WHERE SMALL BUSINESSES FAIL

What leads to small businesses failing after initial success?

- ▶ Mr. Bill Scheessele, *President, MBDi*

SESSION 2: SUPPLIER DIVERSITY

- ▶ Ms. Jean Ann Grandinetti, *Director, Supplier Diversity, Agility Defense and Government Services*

3:00 - 3:30 — BREAK IN DISPLAY AREA

3:30 pm - 5:00 pm

SESSION 1: IS THERE A CHANGE IN YOUR FUTURE?

Mergers, Acquisitions, and Small Businesses

- ▶ Mr. John Allen, *Co-Head Defense and Government Services Group, BB&T Capital Markets*
- ▶ Mr. Nick Howland, *Director and General Manager, Retail Division BAE Systems Products Group*
- ▶ Mr. Ron Perlman, *Director of Government Contracts, Buchanan Ingersoll & Rooney, PC*

SESSION 2: TURNING INITIAL TEAMING INTO A LONG-TERM RELATIONSHIP

Panel moderated by Mr. Frank Hewitt, CEO, intelliSolutions, inc.

- ▶ Mr. George Arthur, *Vice President, SOLUTE Consulting*
- ▶ Mr. Clarence Carter, *President & CEO, INTEGRITS*
- ▶ Mr. Dwayne Junker, *Chief Operating Officer, Epsilon Systems Solutions*
- ▶ Mr. James Lasswell, *President & CEO, INDUS Technology*
- ▶ Ms. Patricia Mercado, *San Diego Area Manager and Senior Principal, SRA International*
- ▶ Mr. Kenneth Slaght, *Vice President and General Manager, Maritime Systems Sector, General Dynamics Information Technology*

5:00 pm - 6:30 pm — NETWORKING RECEPTION IN DISPLAY AREA

7:00 am - 5:00 pm — REGISTRATION OPEN

7:00 am - 8:00 am — CONTINENTAL BREAKFAST IN DISPLAY AREA

7:00 am - 8:00 am — WOMEN IN DEFENSE BREAKFAST

"Women in Business: Surviving Public Policy"

Women in Defense (WID) is an NDIA affiliate. The San Diego Chapter hosts this breakfast in keeping with its goals to provide an environment where members of Defense and the Defense Industry can network, enabling them to make valuable contacts that will enhance their career and provide many and varied opportunities. This breakfast will be held in concurrence with the continental breakfast.

► Ms. Barbara Kasoff, *President & CEO, Women Impacting Public Policy*

8:00 am - 8:15 am — MORNING REMARKS

8:15 am - 9:00 am — KEYNOTE ADDRESS

SMALL DEFENSE BUSINESSES: WHAT DOES THE FUTURE HOLD?

► Mr. Ron Poussard, *Director of Air Force Small Business*

9:00 am - 9:45 am

TRENDS IN SBIR/SSTRS

What can small businesses really do?

Panel moderated by Ms. Linda Whittington, SBIR Program Manager, SPAWAR

► Mr. David Busigo, *Acting DARPA SBIR Manager*

► Mr. Lee Rosenberg, *Director, Office of Small Business Programs, Missile Defense Agency*

9:45 am - 10:15 am — BREAK IN DISPLAY AREA

10:15 am - 11:45 am

EXPANDING FROM DEFENSE TO OTHER "MARKETS"

Panel moderated by Mr. Greg Nelson, President, Naples Chapter, SCORE

► Mr. Monty Dickinson, *President, Chapter 140, SCORE*

► Mr. Dick Leslie, *Business Counselor, SCORE*

► Ms. Mary Lou O'Keefe, *Business Counselor, SCORE*

12:00 pm - 1:30 pm — LUNCHEON

1:30 pm - 3:00 pm — PANEL

MARKETING OUTSIDE YOUR LOCAL AREA

Panel moderated by Mr. Al Heisig, President & CEO, ALANSA

► Ms. Lou Elias, *Vice President, Contracts & Pricing, Defense Group, Inc.*

► Mr. Ruben Garcia, *District Director, U.S. Small Business Administration's San Diego District Office*

► Mr. Ron Poussard, *Director of Air Force Small Business*

► Mr. Ralph C. Thomas, III, *Buchanan Ingersoll & Rooney P.C.*

WEDNESDAY MAY 21 2008 CONTINUED

3:00 pm - 3:30 pm — BREAK IN DISPLAY AREA

3:30 pm - 5:00 pm — AFTERNOON BREAKOUT SESSIONS

SESSION 1: FOSTERING TECHNOLOGY INNOVATION IN SMALL BUSINESSES

Panel moderated by Mary Ann Beyster, President, The Foundation for Enterprise Development

- ▶ Ms. June Chocoles, *Chocoles Consulting*
- ▶ Mr. George Otchere, *Senior Vice President & Director of Small Business Programs, SAIC*
- ▶ Mr. Larry Trammell, *CEO, TechFlow, Inc.*
- ▶ Dr. Mary Wallshok, *Dean & Associate Vice Chancellor, University of California, San Diego*

SESSION 2: SHARING IP RIGHTS

Panel moderated by Mr. Jack Friery, Esq., Attorney-at-Law

- ▶ Mr. Eric DeGraff, *Director, X-Feds, Inc.*
- ▶ Mr. Thomas A. Kruza, III, *Crowell & Moring*

5:00 pm — CONFERENCE ADJOURNS

DISPLAYERS

Advance Reprographics	Marine Corps Tactical Systems Support Activity
Advanced Test Equipment Corporation	MaXentric Technologies
Agility Defense & Government Services	McLaughlin Research Corporation
The ASTA Group	Missile Defense Agency
BAE Systems	National Contract Management Association
BecTech	Naval Surface Warfare Center
Chenega Federal Systems	NAVFAC San Diego
DC3: Michigan Defense Contract Coordination Center	NDIA Membership
Department of Homeland Security	Oshkosh Corporation
Department of Veteran Affairs	Ralphs-Pugh Co., Inc.
Diversified Technologies, Inc.	Raytheon Company
EA Engineering, Science & Technology, Inc.	Referentia
EEI Manufacturing Services	SAIC
Epsilon Systems Solutions, Inc.	Space and Naval Warfare Systems Command
GCAS, Inc.	Sullivan International
Hirok, Inc.	SupplyCore
INDUS Technology, Inc.	Synectic Solutions, Inc.
Kaysun Corporation	Tele-Consultants, Inc.
KIRA, Inc.	Tracer ES&T
Lockheed Martin Corporation	

KATHLEEN P. SRIDHAR AWARD

The Kathleen P. Sridhar Small Business Executive of the Year Award is a small business award. It is named in honor of Dr. Kathleen P. Sridhar who was a small business CEO of uncommon ability and accomplishment. She was also very active in NDIA conferences, seminars, and events, and eventually served as president of the San Diego Chapter of NDIA. She was known as an inspirational leader who mentored others to successful leadership positions in the small business sector of the defense industrial base. The Sridhar Award and medal recognize leadership and strategic impact in the defense small business sector. It is bestowed annually on a defense industry small business executive who best reflects Dr. Sridhar's leadership excellence and support for a robust small business sector in the defense industrial base. The awardee will meet the following criteria:

- US Citizen
- NDIA Member
- Executive of a current or recently graduated small business
- Strong record of business accomplishment
- Significant record of giving back through activities such as mentoring or charitable work, and/or an active supporter of the small business sector, as well as the larger whole of the defense industrial base

Presentation of the award will be made at Tuesday's lunch, 12:00 pm - 1:30 pm.

Previous award recipients:

- 2007 Dwayne N. Junker, President, Epsilon Systems
2006 Constance E. Blair, President and CEO, Technology Ventures
2005 Joanna Lau, Founder, CEO and Chairman of the Board, LAU Technologies
2004 Kathleen P. Sridhar, Ph.D., Founder and President, INDUS Technology (Posthumously)

2008 AWARD PRESENTED TO:

Mr. William Strang, President/CEO, Tactical & Survival Specialties, Inc.

Nomination Letter

The NDIA Special Operations and Low Intensity Conflict Division proudly, and wholeheartedly, endorses Mr. William E. Strang, Jr., for the Kathleen P. Sridhar Small Business Executive of the Year Award. As Founder, President, and CEO of Tactical and Survival Specialties, Inc. (TSSI), Bill established his company in 1990 with a very modest budget and a basic purpose to provide the best survival and tactical equipment commercially available to his wide network of friends and colleagues within the Special Operations Community. Since these humble beginnings, Bill superbly led the development of TSSI into a growing multi-million dollar a year support, logistics, and service company that provides logistical support and services to a vast array of customers. These customers include all branches of the United States military, all levels of Law Enforcement, and Emergency Responders- including Disaster Relief professionals and organizations, and support to more than 25 allied nations. Beyond providing professional and fiduciary excellence in the management of his company, Bill consistently responds with deliberate speed to those in need when disasters befall our country. As examples, shortly after the attacks on September 11th, 2001, Bill and TSSI personnel provided volunteer services to New York City in support of emergency operations and established Operation Respond which culminated in the delivery of more than 17,000 pounds of donated specialized clothing and rescue equipment to NYPD Emergency Support Unit. In the aftermath of Hurricane Katrina, TSSI responded by deploying personnel on-site and providing professional services and equipment in support of relief efforts.

In addition to his work with TSSI, Bill is a very active member on the NDIASO/LIC Division Executive Board and holds positions as Chairman, Industry Issues and Vice Chairman for Exhibits for the annual SO/LIC symposiums. Other professional affiliations include membership in the National Eagle Scout Association, National Rifle Association, Naval Enlisted Reserve Association, Fleet Reserve Association, Special Forces Association, Veterans of Foreign Wars, Seabee Veterans

of America, Navy League Central Virginia Chapter, U.S. Naval Institute, National Tactical Officers Association, International Association of Law Enforcement Firearms Instructors, U.S. Air Force Association, Association of the United States Army, National Shooting Sports Foundation, National Military Intelligence Association, and American Society of Industrial Security.

Finally, as an Eagle Scout, he serves his local community as Assistant Scoutmaster for Troop 40 of the Boy Scouts of America. Bill Strang's work, service, and dedication to his country are an inspiration to all who know him.

Biography

2006 to Present: Founder & Managing Director, SPSA, LLC. Special Projects Special Applications, Harrisonburg, Va. SPSA, LLC. is a project and process management company dedicated to providing design, development, documentation, manufacturing, packaging and logistic services to military, law enforcement and disaster recovery organizations at the local, state and federal levels. "Total Project & Process Management with an Unprecedented Level of Dedication"

1990 to Present: Founder, President & CEO, Tactical & Survival Specialties, Inc. (TSSI), Harrisonburg, Va. Tactical & Survival Specialties, Inc provides a full line of tactical and operational support equipment and product training to military, law enforcement, and disaster recovery professionals world-wide. TSSI has a long standing reputation for delivering products and equipment packages to the customer "Anytime, Anywhere, No Matter Where Your Mission Takes You."

1984 to 1990: Regional Training Specialist, AMP Inc., Harrisonburg, Va.

Responsibilities included but not limited to: Development, coordination and delivery of training programs to some 2500 managerial, engineering, technical and production employees in 5 manufacturing facilities located in the central and southern Shenandoah Valley of Virginia. Coordination of both in-house instructors and professional educators to provide approximately 400 different training programs at on-site and off site locations. Corporate liaison with local educational institutions including vocational training schools, community colleges and local universities. Task analysis services for 5 manufacturing plants for new manufacturing cells, equipment up grades and technical process up grades. Managing, supervising and maintaining the 4400 square ft. regional training center, equipment and tooling. Managing an annual training and equipment budget of \$700,000.

Education: University of Pittsburgh, 1978-1982 (108 credits toward BSE in vocational education); Allegheny High School, 1967-1971.

Military Service: United States Navy, 1971-1975, Vietnam Veteran; United States Naval Reserve, 1976-1994, Retired-Senior Chief Petty Officer.

Awards and Commendations: US Navy Commendation Medal (1980 & 1994); US Navy Achievement Medal (1992); US Navy Seabee Combat Warfare Specialist (1991); US Navy Reserve Seabee of the Year (1980); US Navy Master Training Specialist (1978); US Navy and Marine Corps Combat Action Ribbon (1972).

Certifications: Journeyman Machinist - Pa. Department of Labor; HK MP-5 Sub-Machine Gun Instructor; HK Tactical Rifle Instructor; Diversionary Device Instructor; Law Enforcement Chemical Agent Instructor; Emergency Response Team Operations Instructor.

Honors and Awards: Eagle Scout Boy Scouts of America Order of the Arrow-Vigil Honor Boy Scouts of America Massanutten District Chairman's Award (2005); Boy Scouts of America Massanutten District Award of Merit (2006); Better Business Bureau Regional Finalist Torch Award for Marketplace Ethics (2003); National Tactical Officer's Association Spirit Award; Awarded to a non-law enforcement professional who has contributed to the growth of law enforcement special operations (2003).

THANK YOU TO OUR TITLE PARTNER



A leading science, engineering and technology application company, Science Applications International Corporation [NYSE: SAI] solves problems of vital importance to the nation and the world in national security, energy, the environment, public infrastructure and health. Founded by J. Robert Beyster, Ph.D., and a small group of scientists in 1969, SAIC is now a Fortune 500® company, with approximately 44,000 employees worldwide.

SAIC has a strong commitment to supporting government programs of national importance – helping to solve or undertake our country's most significant problems

SAIC shares lead systems integrator status with The Boeing Company on the Department of Defense's second-largest program -- Future Combat Systems (FCS). FCS is the Army's principal transformation program and will be the foundation of a rapidly deployable, network-centric force.

SAIC also designs and develops high-power microwave systems, which could be used to stop enemy vehicles or disrupt enemy command, control and communications.

As a leading provider of engineering and technical support for operational test and evaluation of Air Force systems, SAIC is helping Airmen integrate the results of ongoing experimentation, testing, training and simulation.

SAIC is the principal defense contractor for Joint Intelligence Operations Capability-Iraq (JIOC-I), a capability that provides military forces with access to critical intelligence while it has maximum value, and visualization applications that highlight locations and vulnerabilities of adversaries across multiple theaters of operation.

The company also has led the way in homeland security and public safety, developing the Integrated Container Inspection System (ICIS) to examine U.S.-bound cargo with significantly reduced impact on the flow of commerce. In addition, SAIC is working with the U.S. Centers for Disease Control and Prevention to improve early detection of major disease outbreaks and bioterrorism attacks.

SAIC also is answering the call for better intelligence sensors, communications networks, analytics and commercial-based supply chain solutions. As the Defense Logistics Agency's largest prime vendor for maintenance, repair and operations, SAIC manages a significant portion of the Navy, Air Force and Army supply chains.

SAIC's IT experts and scientists are designing Web-enabled healthcare applications, supporting leading-edge pharmaceutical research and helping to manufacture potential vaccines to be tested for the prevention of malaria, HIV, anthrax, Ebola, West Nile virus and influenza. The company is pioneering new nanotechnology devices to deliver cancer therapeutic agents at the cellular level.

SAIC is providing safety, reliability and quality support for vital NASA projects, including the Space Shuttle missions and the International Space Station.

Our energy and environmental engineering and remediation solutions support the oil and gas industry, utilities, energy service companies and government operations. SAIC is a major provider of IT outsourcing, systems integration and business consulting for leading pharmaceutical and energy companies.

SAIC generates approximately 93 percent of its business through federal, state and local government contracts. The remaining seven percent is comprised of commercial contracts.

From the start, SAIC was designed for professional people who want to perform superior scientific and technical work and who want to have a stake and a voice in the company's development.

BAE Systems is a global defense and aerospace company, delivering a full range of products and services for air, land, and naval forces, as well as advanced electronics, information technology solutions, and customer support services. BAE Systems, with 96,000 employees worldwide, had 2006 sales that exceeded \$27 billion.

BAE SYSTEMS

The U.S. subsidiary of BAE Systems is headquartered in Rockville, Maryland, and is responsible for developing the company's trans-Atlantic business, relationships with the U.S. Government, administration of BAE Systems' Special Security Agreement, and managing its U.S. based operating groups. These operating groups collectively employ some 52,000 employees in the U.S., UK, Sweden, Israel, and South Africa generating annual sales in excess of \$14 billion.

BB&T Capital Markets |
Windsor Group www.windsorgroupllc.com is one of

BB&T Capital Markets | Windsor Group

the industry's leading full-service investment banks specializing in mergers and acquisitions and financial advisory services in the Defense and Government Services industries. We have completed over 300 M&A transactions in the Defense & Government Services sectors with an aggregate value exceeding \$10 billion. We are part of BB&T Capital Markets, which offers an integrated platform of services in equity capital markets, debt capital markets and corporate banking. BB&T Capital Markets is a division of Scott & Stringfellow, Inc., member NYSE/SIPC, a separate, non-bank affiliate of BB&T Corporation. In addition to Defense and Government Services, our Investment Banking industry teams consist of Communications; Financial Services; Healthcare; Industrial Services and Durable; Logistics and Transportation Services; and Retail and Consumer products. We are owned by one of the nation's largest financial holding companies, BB&T Corporation (NYSE: BBT), with over \$136 billion in assets. Advisory services are offered through Scott & Stringfellow, Inc., a Registered Investment Advisor.



LOCKHEED MARTIN

Headquartered in Bethesda, Maryland, Lockheed Martin Corporation employs over 140,000 people worldwide and is principally engaged in the research, design, development, manufacture and integration of advanced technology

systems, products and services. LM operates over 1,000 facilities in 500 cities and 46 states throughout the U.S. Internationally, LM has business locations in 75 nations and territories.

As a systems integrator and information technology company, the majority of Lockheed Martin's business is with the U.S. Department of Defense and the U.S. federal government agencies. Lockheed Martin is the largest provider of IT services, systems integration, and training to the U.S. Government. The remaining portion of Lockheed Martin's business is comprised of international government and commercial sales of our products, services and platforms.

Lockheed Martin's operating units are organized into broad business areas.

- Aeronautics: includes tactical aircraft, airlift, and aeronautical research and development lines of business.
- Space Systems: includes space launch, commercial satellites, government satellites, and strategic missiles lines of business.
- Systems & IT Group: includes missiles and fire control, naval systems, platform integration, C4I, federal services, energy programs, government and commercial IT and aeronautical/aerospace services lines of business.
- Electronics Systems, includes advanced platforms; sensors and surveillance; integrated warfare systems; lifetime support, logistics and training; missile defense; network centric systems; systems integration and homeland security.

As part of its commitment to small business, Lockheed Martin participates in Mentor-Protégé programs with various government departments and agencies. and intends to significantly expand its number of Small Business Innovative Research (SBIR) relationships. In support of this commitment, Lockheed Martin has established several engineering level collaboration and integration sites. These facilities support "Best of Breed" content and applicability for Lockheed Martin and our Government customers. These sites serve as systems engineering centers for mentoring small businesses and fostering innovation by providing a realistic development and integration environment that enables collaboration between Lockheed Martin, small business partners and Government customers.

Sullivan International Group, Inc. (Sullivan) is a professional services company specializing in science, engineering and advanced technology services to both federal and commercial clients nationwide. Sullivan's vision is to always develop solutions that will exceed the client's expectations. Sullivan provides services ranging from infrastructure design and environmental remediation to industrial operations, systems integration and advanced programming. Sullivan is currently one of ten contractors that were "hand-picked" to participate in the DoD Defense Robotics Program, developing new technology solutions that will play a crucial role in the development and implementation of new technologies that are on the cutting edge of the robotic and unmanned systems arena. The company has been recognized as an industry leader in a variety of service areas that have not only recognized their science and technology innovation but also the significant growth they have achieved in these areas.



Sullivan was founded in 1998 and has experienced tremendous growth; with over 130 employees today. Sullivan was named the fastest growing privately held company in San Diego in 2004 and 2005 and ranked #7 on the INC 500 List of fastest growing companies in the country in 2004. Sullivan is an SBA certified 8(a) and Service Disabled Veteran Owned Business. In 2004, Sullivan was also awarded the prestigious Nunn-Perry award from the Department of Defense, OSDDBU which recognizes companies for their superior program performance. The Environmental Business Journal has recognized Sullivan with their Silver medal in Business Achievement. The Association of Environmental Professionals awarded Sullivan their Environmental Technical Achievement award for Sullivan's design of a high desert composting method. Sullivan has received the Best Companies to Work for Award from the San Diego Business Journal in 2004 & 2005 and named the winner of the Excellence in the Work Environment by the San Diego Chamber of Commerce in 2004. Sullivan has also been honored by the San Diego Business Journal as the Multicultural Heritage Awardee in 2005 and 2006 celebrating a culturally enriched working environment. Sullivan is headquartered in San Diego and has offices in Chicago and San Francisco as well as projects and employees throughout the United States.

THANK YOU TO OUR PROMOTIONAL PARTNERS!



BB&T Capital Markets | Windsor Group



Buchanan Ingersoll & Rooney PC
Attorneys & Government Relations Professionals

Raytheon



GENERAL DYNAMICS



NDIA's 5th Annual National Small Business Conference

La Jolla, CA
May 20, 2008



BB&T Capital Markets | Windsor Group

Table of Contents

<u>Section</u>	<u>Tab</u>
Overview of BB&T Corp. and BB&T Capital Markets	I
Defense and Government Services Market Overview	II

I. Overview of BB&T Corp. and BB&T Capital Markets

Overview of BB&T Corp. and BB&T Capital Markets

BB&T Corporation

- Headquartered in Winston-Salem, NC
- Member of the S&P 500 (NYSE: BBT)
- 14th largest U.S. bank holding company based on nearly \$133 billion of assets
- Market capitalization of approximately \$18 billion
- Nearly 1,500 banking offices and 30,000 employees

BB&T Capital Markets

- Closed 92 transactions with an aggregate value of over \$47 billion in 2007
- Based in Richmond, VA, with investment banking professionals in Reston, VA; Boston, MA; and La Jolla, CA
- Full-service investment banking platform with industry-focused teams
- Leading middle-market M&A advisor

BB&T Capital Markets: A Full-Service Middle-Market Platform

M&A/Advisory

- Sell- and buy-side advisory
- Fairness opinions
- Middle-market focus
- Industry expertise

Corporate Banking

- 17 senior lending officers
- Industry specialization and partners with investment banking
- Over 65 additional banking officers at regional level

Equity Underwriting

- 65 investment banking professionals
- IPOs, follow-on offerings
- Industry-focused and aligned with research

Focused Research

- 40 equity and fixed income analysts and associates
- Insightful, timely research
- Over 270 companies under equity coverage

Debt Capital Markets

- Public offerings of senior, subordinated, and convertible debt
- Asset securitizations
- Specialized tax credits
- Sale/leaseback transactions

Sales and Distribution

- 46 equity traders and institutional salespeople
- 140 fixed income traders and salespeople
- Over 250 retail reps in 45 offices

Private Placements

- Senior debt, subordinated debt, and equity
- PIPEs
- Second-lien notes

Other Financial Services

- Insurance services
- Trust services
- Treasury services
- Wealth management
- Investment services

Our 15 year exclusive focus on the Defense and Government Services markets has resulted in an unmatched track record of industry leadership, expertise, and recognition

M&A Industry Recognition

- Winner of Middle Market M&A Industry *Professional Services Deal of the Year* in the U.S. for 2007 (DI/Honeywell)
- Finalist for Middle Market M&A Industry Deal of the Year in the U.S. for 2005, 2006 and 2007 (Nortel/PEC, CAS/EDO, Analex/QinetiQ)
- Association for Corporate Growth Investment Bankers of the Year for 2004-2006
- Finalist for Middle Market Investment Bank of the Year (2004)

Industry Expertise

- BBTCM | WG has the largest and most experienced team dedicated to the government sector and maintains offices across the country to support client needs
- Closed over 300 M&A transactions in the Defense and Government Services sectors with aggregate value exceeding \$10 billion
- Represented nearly 50% of the top 10 "Big Impact" deals each year since 2005 (*Washington Technology*)

Industry Leadership



WashingtonTechnology Big Impact Deals of 2005 – 2007

	Buyer	Seller
2007	1 Leonard Green Partners LLP	Scitor Corp.
	2 Northrop Grumman	Essex Corp.
	3 QinetiQ North America	Analex Corp.
	4 National Interest Security Co.	Information Manufacturing Corp; Omen, Inc.
	5 Honeywell International Inc.	Dimensions International
	6 CACI International	Athena
	7 ATS Corp.	Advanced Tech Systems
	8 Perot Systems	QSS Group
	9 L-1 Identity Solutions	Advanced Concepts
	10 ManTech International	McDonald Bradley
2006	1 General Dynamics	Anteon International Corp.
	2 Allion Science & Technology	Assets of Anteon
	3 L-1 Identity Solutions	SpecTal LLC
	4 Netco Gov't Services	Multimax
	5 Stanley, Inc.	Morgan Research
	6 Lockheed Martin	PAE
	7 EDO Corp.	CAS, Inc.
	8 General Dynamics	FC Business Systems
	9 CACI International	ISS and AlphaInsight
	10 CSC	Datatrak
2005	1 L-3 Communications	Titan LLC
	2 Nortel Networks Corp.	PEC Solutions
	3 QinetiQ Ltd.	Apogen Technologies
	4 Veritas Capital	DynCorp
	5 Serco Group	RCI Holding Corp
	6 Allion Science & Technology	BMH
	7 SRA International	Galaxy Scientific
	8 Apptis, Inc.	SETA Corp.
	9 SAIC	Geo-Centers, Inc.
	10 Indus Corp.	AB Floyd / Halifax Corp.

Track Record of Success – M&A Transactions 2007-2008

- 21 transactions aggregating over \$1.5 billion of value

 <p>has been acquired by</p> 	 <p>is being acquired by</p>  <p>Pending</p>	 <p>is being acquired by</p>  <p>Pending</p>	 <p>has been acquired by</p> 	 <p>has been acquired by</p>  <p>a Lake Capital Portfolio Company</p>	 <p>has been acquired by</p> <p>National Interest Security Company LLC</p> <p>a company controlled by</p> 	 <p>has been acquired by</p> <p>The Amey Group</p>
 <p>has been acquired by</p> <p>National Interest Security Company LLC</p> <p>a company controlled by</p> 	 <p>has been acquired by</p> 	 <p>has been acquired by</p> 	 <p>has been acquired by</p> <p>National Interest Security Company LLC</p> <p>a company controlled by</p> 	 <p>has been acquired by</p>  <p>an employee owned company</p>	 <p>has been acquired by</p> 	 <p>has been acquired by</p> 
 <p>has been acquired by</p> 	 <p>has acquired</p> 	 <p>a wholly-owned subsidiary of Dimensions International, Inc.</p> <p>has been acquired by</p> <p>WC Holding, Inc.</p>	 <p>has been acquired by</p> 	 <p>has been acquired by</p> 	 <p>has been acquired by</p>  <p>BB&T Capital Markets Windsor Group rendered a fairness opinion to the Special Committee of the Board of Directors of SFA, Inc.</p>	 <p>has been acquired by</p> 

Track Record of Success – M&A Transactions 2005-2006

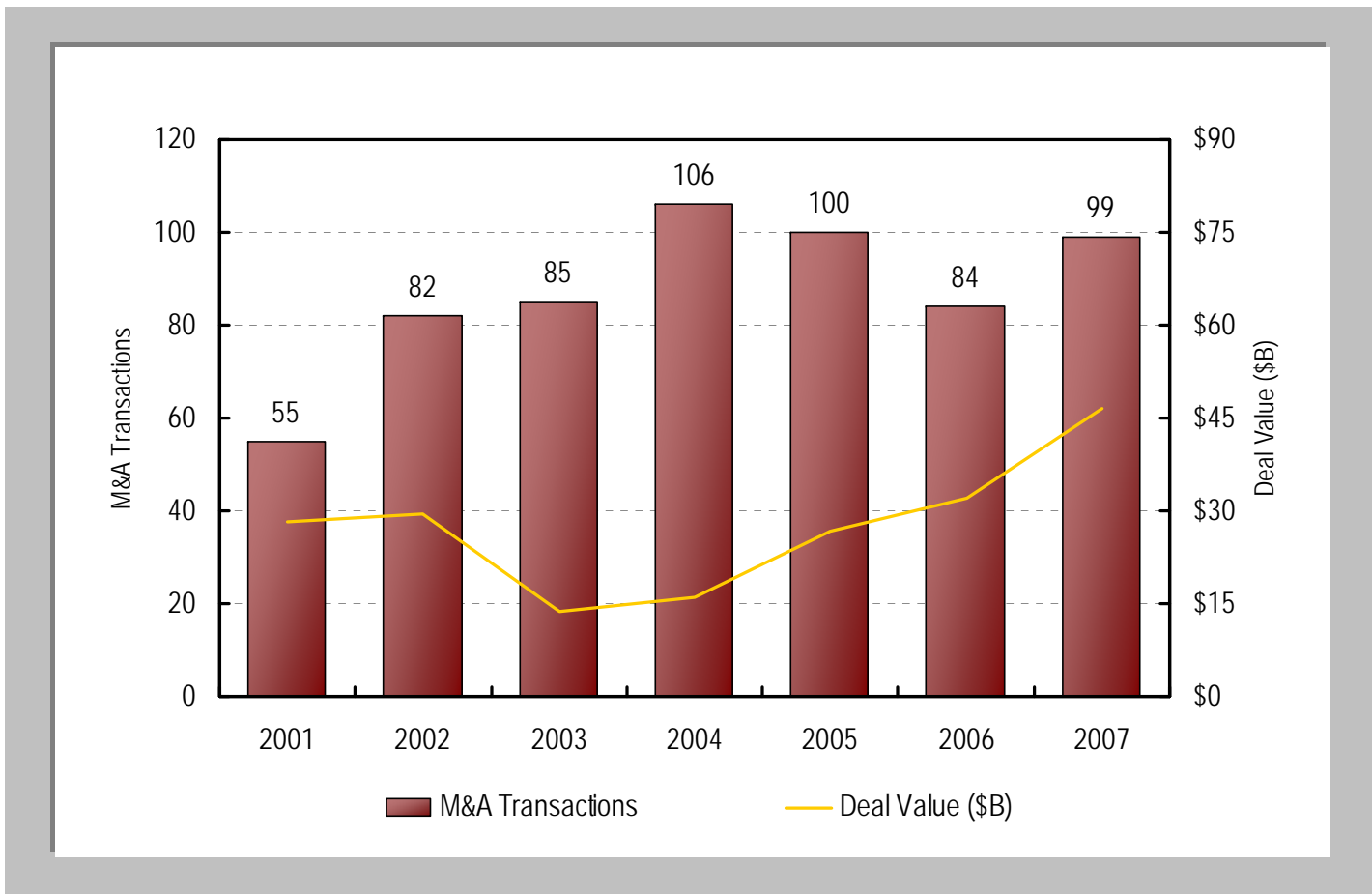
- Over \$3 billion in value in Defense and Government Services transactions

 has acquired certain assets of 	TRAWICK & ASSOCIATES <small>AN INFORMATION TECHNOLOGY COMPANY</small> has been acquired by  The Veritas Capital Fund II, L.P.	 has been acquired by 	 has been acquired by 	 The undersigned provided Financial Advisory Services to Chemonics Int'l BB&T Capital Markets Windsor Group	 has been acquired by 	 has been acquired by 	SGB Enterprises Inc. has been acquired by Ascolese Enterprises Inc.	 has been acquired by 	 has been acquired by 
 has been acquired by 	 has been acquired by 	 has been acquired by 	 has been acquired by 	 Recapitalization Buy-out of majority equity holders Optimus 	 has been acquired by 	 has been acquired by 	 has been acquired by 	 has been acquired by 	 has been recapitalized by the edgewater funds
 has been acquired by DLT Solutions Holdings, Inc. in a MBO	 has been acquired by 	 has acquired 	 has been acquired by 	 has acquired 	 has been acquired by 	Secure Network Services business of  has been acquired by 	 has been acquired by 	 has acquired 	 has acquired 
 has acquired 	 has been acquired by 	 has been acquired by 	 has been acquired by 	 has been acquired by 	 has been acquired by 	 has been acquired by 	The Environmental Technology business of  has been acquired by 	 has been acquired by 	 has been acquired by 

II. Defense and Government Services Market Overview

Defense and Government Services Market Overview

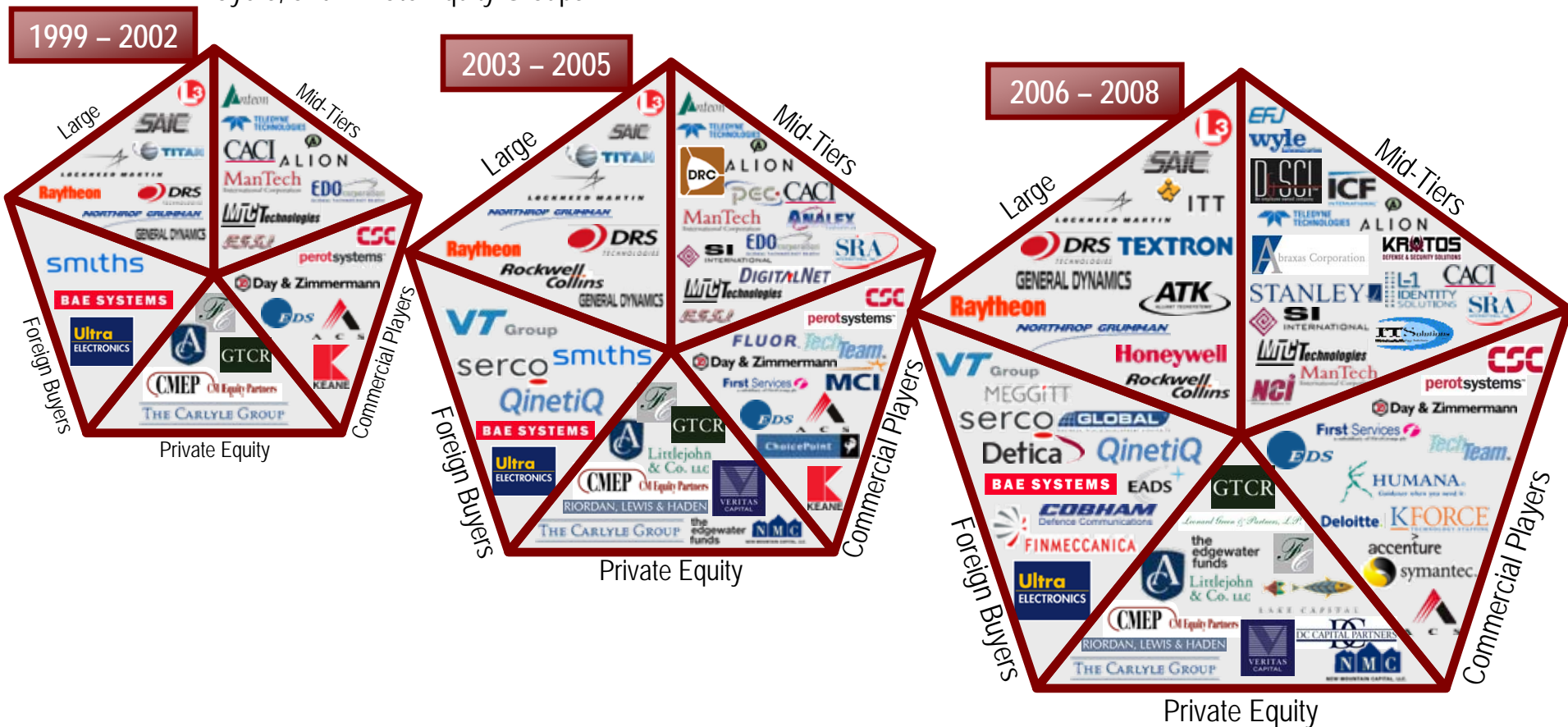
- Deal volume in the Defense and Government Services market has been robust during the past several years, driven by strong defense spending, access to capital, a strong supply of attractive acquisition targets, and a dramatically increasing universe of buyers



Source: Washington Technology, DM&A, and BB&T Capital Markets | Windsor Group proprietary research

Defense and Government Services Market Overview

- The universe of active acquirers for Defense and Government Services companies has continued to evolve and expand throughout several years of industry consolidation
 - There are nearly 180 discrete buyers that have made at least one acquisition of a government contractor in the last three years; nearly 120 different companies made at least two or more acquisitions
 - Buyers fall into five distinct categories – Large Contractors, Mid-Tier Contractors, Foreign Buyers, Commercial Players, and Private Equity Groups



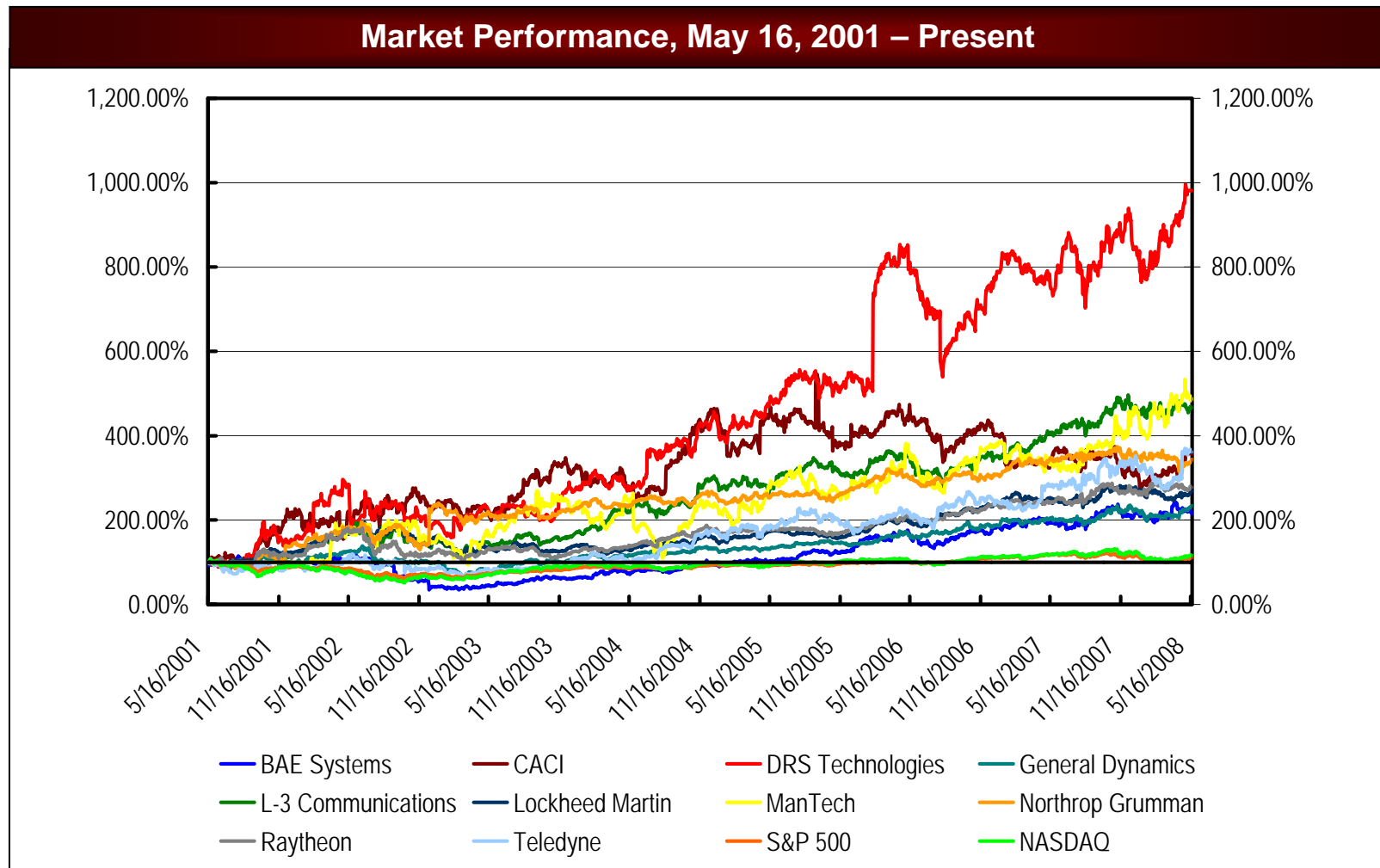
Defense and Government Services Market Overview

- Private Equity Groups have shown tremendous interest in the Government Services market and now account for a significant share of M&A transactions

Private Equity Group	Selected Portfolio Companies
Arlington Capital Partners	Apogen (Sold); Woven Electronics; TSI Group; NLX (Sold); SECOR (Sold)
Behrman Capital	Hunter Defense (Sold); ILC Industries
Berkshire Partners LLC	AmSafe Partners
Brazos Private Equity Partners	Comark Building Systems (Sold)
The Carlyle Group	Booz Allen Hamilton [U.S. Gov't Business]; ARINC; QinetiQ (IPO); BDM (IPO / Sold); Federal Data Corp (Sold); United Defense (IPO/Sold); EG&G (Sold)
Caxton-Iseman Capital	Anteon (IPO/Sold); Covant
Cerberus Capital	IAP, Multimax / Netco (Sold)
CM Equity Partners	ICF (IPO); RCI (Sold); Laguna Ventures (Oak Hill Group); Preferred Systems Solutions; AverStar (Sold)
DC Capital Partners	NISC (Edge Consulting; IMC; Athenyx); Omen; TMS; NISS
Edgewater Funds	ITSolutions (ITEQ)
Frontenac	SI International (IPO)
General Atlantic	SRA International (IPO)
Greenbriar Equity Group LLC	AmSafe Partners
GTCR	SystemsNet; DigitalNet (IPO/Sold)
J.F. Lehman & Co.	Atlantic Marine; Atlantic Inertial Systems; Elgar Electronics (Sold); Racal Instruments (Sold); McCormick Selph (Sold)
Kelso & Co.	Overwatch Systems (Sold)
Kohlberg & Co.	Allied Aerospace (Sold)
Lake Capital	NetStar-1
Leonard Green & Partners, L.P.	Scitor
Littlejohn & Co.	Wyle Labs
Monitor Clipper	Veridian (Sold); Olive Group
Metalmark Capital	Hunter Defense
New Mountain Capital	Apptis
Pine Creek Partners	Engineering Support Personnel
Providence Equity Partners	USIS
Relativity Capital	Nivisys; Berkshire Manufactured Products
Riordan, Lewis & Haden	ITS Corp. (Sold)
Silver Lake	i2 [ChoicePoint]
Thayer Capital	Quadel Consulting; TEAC Aerospace (Sold)
Veritas Capital	DynCorp (IPO); McNeil Technologies (ZKD; Trawick; Vistar); Vangent; Athena (Sold); Wornick; Aeroflex; IDT (Sold); Vertex (Sold)
The White Oak Group	EOIR Technologies; Dataline; DataPath

Defense and Government Services Market Overview

- Acquisitions work – Consolidators in the Defense and Government Services sector have created tremendous shareholder value
 - In the last five years, stock price appreciation of leading consolidators has significantly outpaced the broader markets



Defense and Government Services Market Overview

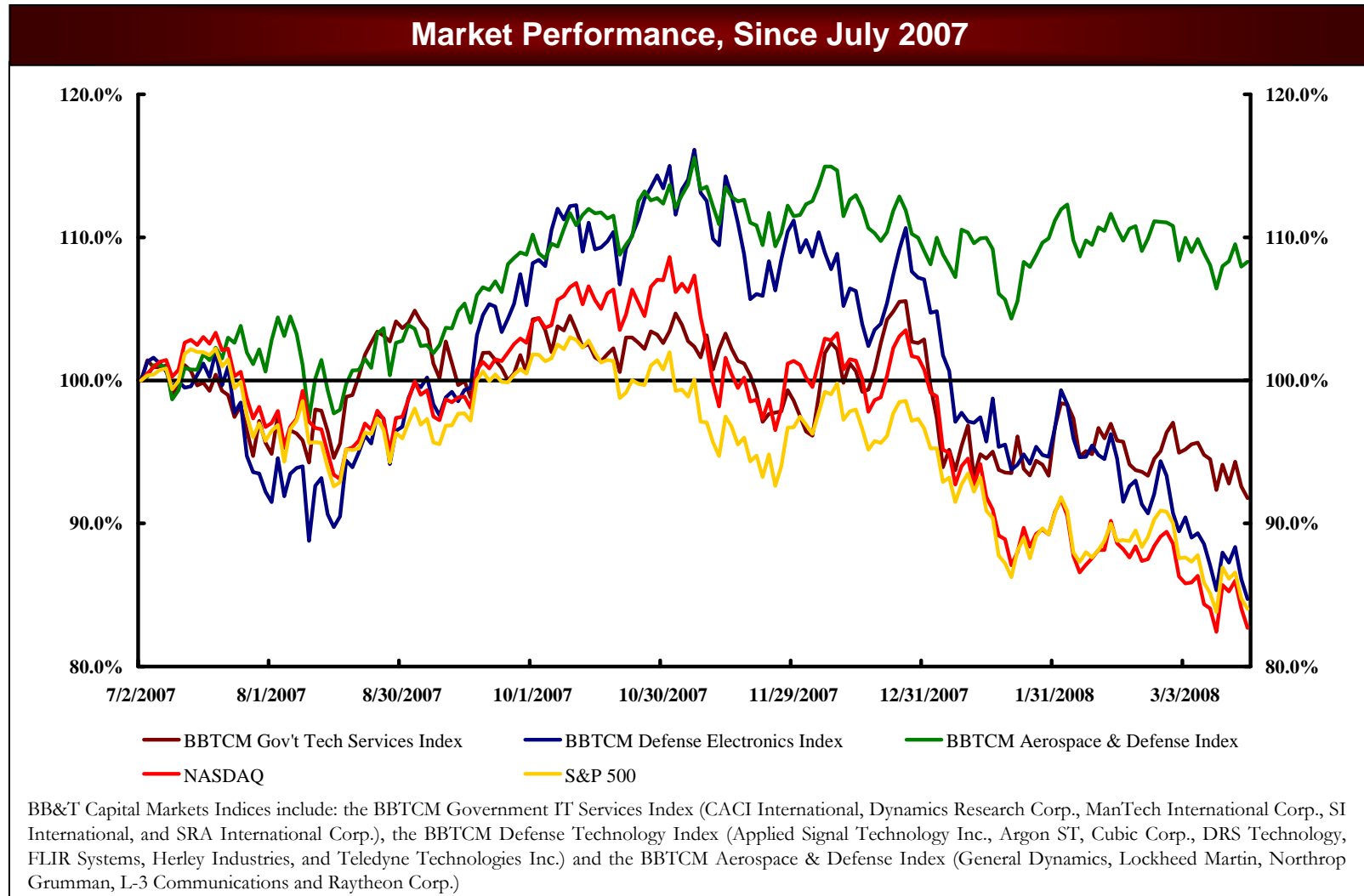
- The Defense and Government Services market has been in a protracted state of consolidation for nearly 20 years. Only a few examples of the most active buyers in just the last three years include:

	CACI	BAE Systems	General Dynamics	L-3 Comm.	Lockheed Martin	SAIC
	<ul style="list-style-type: none">Dragon Development CorporationAthena Innovative Solutions, Inc.The Wexford Group InternationalInstitute for Quality Management, Inc.Sophron Partners Ltd.AlphaInsight CorporationInformation Systems Support, Inc.National Security Research, Inc.	<ul style="list-style-type: none">MTC TechnologiesTenix Corp. (Aust.)Pitch Technologies ABCyberSim (Pty)Information Science Consultants Ltd.Armor HoldingsSELEX Sensors and Airborne Systems SpANational Sensor Systems, LLCUnited Defense Industries Inc.	<ul style="list-style-type: none">Mediaware International Pty Ltd. (Australia)WECO Aerospace Systems, Inc.SNC Technologies, Inc. (Canada)Chamberlain Manufacturing Corporation, Artillery Projectile and Mortar Body BusinessAnteon Corp.FC Business Systems, Inc.Itronix CorporationMAYA Viz Ltd.	<ul style="list-style-type: none">Northrop - GarlandGCS, Inc.Geneva AerospaceNova EngineeringNautronix HoldingsCrestview Aerospace CorporationTRL TechnologyMedical Education Technologies, Inc.SSG Precision Optronics, Inc.SafeViewCyTerraMagnet-Motor GmbHTCSTitan Corp.10 others	<ul style="list-style-type: none">Eagle GroupPercepTek, Inc.3Dsolve, Inc.RLM Systems Pty Ltd (50%)MSD, Inc.Pacific Architects and EngineersISX CorporationSavi Technology, Inc.HMT Vehicles Ltd.Aspen SystemsCoherent Technologies, Inc.INSYS LimitedThe Sytex Group, Inc.STASYS Ltd.	<ul style="list-style-type: none">SM ConsultingIcon SystemsScicom TechnologiesBenham LLCAMTIAETC, Inc.bd Systems, Inc.Varec, Inc.Cornerstone Industry, Inc.Applied Ordnance TechnologyGeoViz.comGeo-Spatial TechnologiesGEO-CENTERSIMAPS, LLCObject Sciences
Estimated Revenue Acquired, 12/31/04 – 5/19/08	\$0.6 B	\$6.4 B	\$2.0 B	\$3.2 B	\$1.0 B	\$0.5 B
	(22%)	128%	80%	61%	79%	10%*

*SAIC appreciation measured from date of IPO in October 2006

Defense and Government Services Market Overview

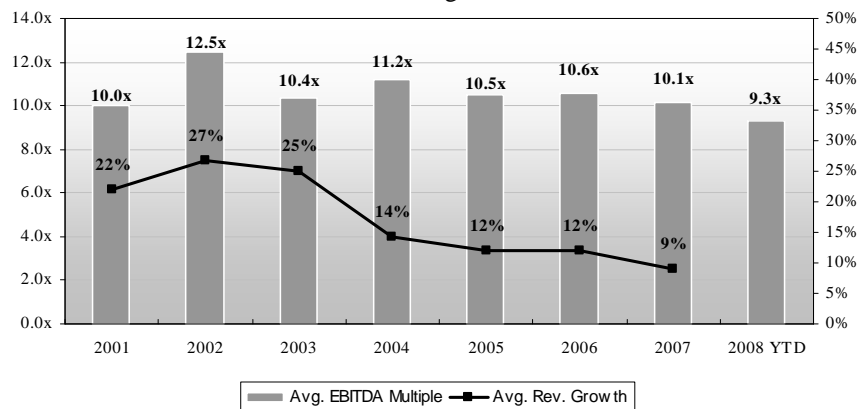
- The larger companies have avoided volatility in the otherwise challenging economic environment; smaller companies in the sector have declined along with the broader market



Defense and Government Services Market Overview

- Valuation multiples for publicly traded Defense and Government Services companies are below post-9/11 peaks and are increasingly under pressure as growth rates decline

Large

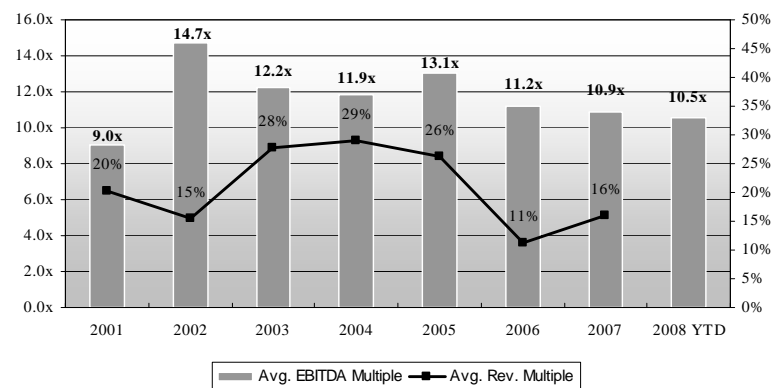


Average EV/EBITDA multiples spanning all trading days for each year.

Companies used in calculation:

2001 to present: General Dynamics, L-3 Communications, Lockheed Martin, Northrop Grumman, and Raytheon

Government IT

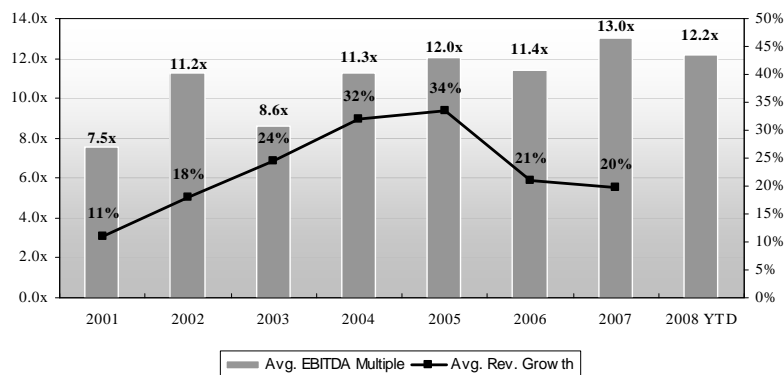


Average EV/EBITDA multiples spanning all trading days for each year.

Companies used in calculation:

2001: CACI, and Dynamics Research Corp; 2002 to 2004: CACI, Dynamics Research Corp., ManTech, MTC Technologies, SRA International, and SI Int'l; 2005: CACI, Dynamics Research Corp., ManTech, MTC Technologies, SRA International, SI Int'l and NCI Inc.; 2006 to 2007: CACI, Dynamics Research Corp, ManTech, MTC Technologies, NCI Inc., SAIC, SRA International, SI Int'l, and Stanley Inc.; present: CACI, Dynamics Research Corp, ManTech, NCI Inc., SAIC, SRA International, SI Int'l, and Stanley Inc

Mid-Tier



Average EV/EBITDA multiples spanning all trading days for each year.

Companies used in calculation:

2001 to 2003: DRS Technologies, EDO Corporation, FLIR Systems Inc., Herley Industries, Inc., Teledyne Technologies Inc., and United Industrial Corporation ; 2004 to 2007: Argon ST, DRS Technologies, EDO Corporation, FLIR Systems Inc., Herley Industries, Inc, Teledyne Technologies Inc., and United Industrial Corporation; present: Argon ST, Herley Industries Inc., DRS Technologies, FLIR Systems Inc., and Teledyne Technologies Inc.

Defense and Government Services Market Overview

Evolution of EBITDA Multiples

9/11 to Present:

Highly Specialized
(size does not matter)

10 x +

\$100 million +

10 x +

\$50 - \$100 million

8-10 x

< \$50 million

6-8 x

Market Characteristics

- Size was an important discriminator
- Multiples were 25-30% higher than pre-9/11 valuations
- Uncertainty around ultimate duration of wars in Iraq and Afghanistan

Highly Specialized
(size does not matter)

\$75 - \$100 million

\$50 - \$75 million

< \$50 million

12-15 x +

11 x +

8-10 x

6-8 x

Market Characteristics

- Size thresholds fell as supply of larger businesses dwindled and small business rule changes had not taken effect
- Iraq "war tax" began to take its toll on organic growth rates in the sector

Highly Specialized
(size does not matter)
and \$100 million+

\$50 - \$100 million

< \$50 million

12-15 x +

8-10 x +

0-8 x

Market Characteristics

- Bifurcation begins to occur, as well-positioned businesses continue to attract strong interest and less attractive companies struggle to find buyers
- Diminished supply of well-positioned targets due to small business issues and high volume of consolidation

9/11/2001

12/31/2005

6/30/2007

Today

Defense and Government Services Market Overview

- In the decade of the 1990s, buyers pursued acquisitions to “bulk up” or gain critical mass. Today, acquisitions are pursued to “fill gaps” or gain a presence in attractive growth segments of the market
- Buyers are currently focused on a number of attractive external funding priorities, including:
 - Intelligence Community
 - NISC / Edge Consulting
 - ManTech / McDonald Bradley
 - L-1 / Advanced Concepts
 - Network-centric Solutions
 - Kratos / SYS Technologies
 - Raytheon / VTC / HAI
 - Accenture / Gestalt LLC
 - Information Operations
 - Abraxas / Anonymizer
 - Raytheon / SI Government Solutions
 - Raytheon / Oakley Systems
 - Healthcare IT
 - Vangent / Aptiv Technology Partners
 - SRA / Constella Group
 - NCI / Karta Technologies
 - ICF / Z-Tech
 - Logistics/RESET
 - Lockheed Martin / Eagle Group
 - Honeywell International / Dimensions International
 - BAE Systems / MTC
 - VT Group / AEPCO
 - Training & Simulation
 - SAIC / Icon Systems
 - Lockheed Martin / 3DSolve
 - Nation Building / Peacekeeping
 - Lockheed / PAE3

Defense and Government Services Market Overview

- The terms and conditions that help a buyer protect and preserve the value of an acquired business have also swung in favor of sellers
- The current market features some of the following attributes for sellers:
 - Form of Consideration: Largely cash (vs. stock)
 - Earnouts: Not typical, usually milestone driven
 - Escrows: 10%-15% of Purchase Price
 - Indemnity Caps: Approximate Escrow; less often are slightly higher
 - Length of Escrows: 12-24 months
 - Structure: Purchase of Stock (vs. Assets)
 - Working Capital Target: 10-15% pf TTM Revenue
 - Non-Competes: 2-5 years for Principals with a “sunset” provision (vs. from date of termination)
1-2 years for other key employees
 - Exclusivity after LOI: 7-day rolling basis (vs. 60-90 days)
- In addition, many buyers are willing to “invest” in due diligence without the benefit of exclusivity
 - This increases certainty of closing after exclusivity has been granted and keeps leverage in the hands of sellers

Defense and Government Services Market Overview

Merger and Acquisition Environment – Risks

- While M&A valuations remain very strong for attractive companies, there are several factors that could impact valuations in the market

Impact of Downturn in Credit Markets	→	The recent turmoil in the credit markets has resulted in lenders becoming more risk averse and reducing maximum leverage multiples and increasing interest rates. This impacts both the availability and cost of capital, particularly for private equity buyers
Federal Spending	→	Budgetary spending on new weapons systems procurements and transformational initiatives continues to be diverted to support the war effort. In 2007, this resulted in significant contract delays for non-war related procurements
Political Uncertainty	→	The 2008 presidential race will result in a change of administration, which creates uncertainty about future spending priorities
Capital Gains Tax Rate	→	Both Democratic Party candidates have talked of repealing the Bush Tax Cuts to various extents, including potentially raising the capital gains tax rate
Public Equity Valuations	→	Continued volatility in the valuations of mid-tier public companies in the Defense and Government Services market could cause a heightened sense of conservatism among some dealmakers
Procurement Reform	→	The Democrat-controlled Congress has increased emphasis on procurement reform and could roll back or mitigate many of the previous reforms that resulted in a more commercial-like environment for federal contractors

- BB&T Capital Markets | Windsor Group has established a nationwide presence to better serve our clients
- Please do not hesitate to contact us with any follow-up questions

Virginia / Washington D.C. Office

John Allen

Co-Head, Defense and Government Services

(703) 471-3853

jallen@bbandtcm.com

12010 Sunset Hills Rd., Ste. 700
Reston, VA 20190

California Office

Jon Clark

Senior Vice President

(858) 795-2631

jclark@bbandtcm.com

4275 Executive Square
La Jolla, CA 92037



BB&T Capital Markets | Windsor Group



Agility, A New Logistics Leader

Jean Ann M. Grandinetti

Director Supplier Diversity

A large crowd of people is seated in an arena, viewed from behind. The crowd is dense and fills the lower two-thirds of the frame. In the background, a classical building with tall columns and arched windows is visible. The text "Introducing Agility" is overlaid on the left side of the image.

Introducing Agility

Our name may be new to you,
but we have a long history.



A New Logistics Leader

Vision	Mission	Aim
<p>“A new logistics leader meeting the challenges of global trade”</p>	<p>“Facilitating global trade through innovative supply chains”</p>	<p>We will evolve into the leading global provider of integrated supply chain solutions. We will consistently exceed our customers’ diverse requirements by leveraging and enhancing our:</p> <ul style="list-style-type: none">▪ Global network and unique local insight▪ Specialized logistics capabilities▪ Agility and spirit of innovation▪ Motivated, skilled, and multicultural people

The Scale of Our Business

550+ offices

100+ countries

Over \$6.2 billion revenue (USD)

Over 32,000 employees

Top ten logistics provider

Publicly traded

6000+ owned vehicles and transport assets

10 million square meters of warehousing space

800,000 pallet positions



Global Network



More than 550 locations in over 100 countries

The Agility Organization



Sample Customers



Our Values

We will pursue our mission, vision, and customer promise of personal service with a passion for

Integrity Building trust with customers, communities, suppliers and one another by doing what is right: keeping our promises, being a good citizen, complying with regulations and laws and honoring rules of engagement

Personal Ownership Taking personal responsibility for the outcome by anticipating needs, being resourceful and following through until the job is done

Teamwork Working across organizational and cultural boundaries to achieve extraordinary performance and deliver personal service to customers

Excellence Building a culture based on excellence in thought and in execution to better serve customers



Defense & Government Services

DGS Vision

The premier logistics leader meeting the specialized requirements of defense and government customers.



Why Agility DGS?

Best Logistics Strategy, Subsistence Prime Vendor Program – 2007 Worldwide Business Research (WBR)

Corporate Distinguished Service Award – 2007 National Defense Transportation Association (NDTA)

Global Trade Award (Taos) – 2007 Northern Alabama International Trade Association

Voice of Customer Award – 2007 Cartus Global Network Conference

Outstanding Industry Leader in Military Logistics - 2006 Institute for Defense and Government Advancement

New Contractor of the Year - 2005 Defense Logistics Agency (DLA)

Outstanding Customer Service - 2005 and 2004 Defense Supply Center Philadelphia (DSCP)

Quality Award for Outstanding Service - 2005 Surface Deployment and Distribution Command (SDDC)

Outstanding Readiness Support - 2005 Defense Logistics Agency (DLA)

Outstanding Food Service Southwest Asia Region - 2004 Defense Supply Center Philadelphia (DSCP)

Award Winning Performance

Ready to Perform

“Agility (formerly PWC Logistics) has accomplished a miracle across Iraq...”

-General David Petraeus

-Commander Multi-National Security Transition Command - Iraq





Supplier Diversity Program

The Agility Focus

- “Third Party Integrator”
 - Prime Vendor outsourcing small businesses and AbilityOne agencies for contract execution for full supply chain management.
- “Walk the Talk”
 - Agility actively recruits and exceeds the minimum socioeconomic contract requirements
- “Always Prepared”
 - Maintain database of potential subcontractors in all small business categories and AbilityOne agencies
 - Attend trade shows and matchmaking events to expand database
 - Collaborate with industry associations and HBCUs on SB projects

Small Business Database Matrix-376 Profiles

SB Category	Percentage in S.B. D.B.	Sub-Contracting Goals USG (Min)
SDB (including 8A a sub-category of SDB)	23.5% or 86 companies	5 %
WOSB	11 % or 41 companies	5 %
HUBZone	14 % or 50 companies	3 %
SDVOSB	8 % or 28 companies	3 %
VOSB (non-Service Disabled)	6 % or 23 companies	N/A
Ability One (JWOD) agencies	3 % or 11 agencies	Counts as SDB in sub-contracting
Native Alaskan Owned	.5 % or 1 companies	Credit toward SDB goal
Native American Owned	.5 % or 2 company	Credit toward SDB goal
Small Business (Unclassified)	30 % or 109 companies	23 % overall
Minority Owned	3.5 % or 12 companies	N/A

US Government Small Business Goals (% of the Total Contract Dollar Value-CDV)

Overall small business subcontracting goal: 23%

Subcategory breakdowns within that goal:

- Small Disadvantaged Businesses (SDB): 5%
(SDB includes “subchapter 8a” firms, AbilityOne NIB/NISH agencies, etc.)
- Historically Underutilized Business Zone (HUBZone) Small Businesses: 3%
- Woman Owned Small Businesses: 5%
- Service Disabled Veteran Owned Small Businesses: 3%

Note: Most contracts require a much higher goal than 23%

Supplier Diversity Program

- Find and maintain a cadre of small businesses in all categories and AbilityOne agencies for potential subcontractors, partners and protégés.
 - Maintain Supplier Diversity Database for ready access
 - Manage the HBCUs collaborative initiatives
 - POC for collaborative SB projects with industry associations such as NDIA
- Support the BD managers during project development and proposal preparation by identifying and performing “due diligence” on potential SBs to meet the goals.
- Prepare the Socioeconomic/subcontracting sections of proposals. in response to RFIs, RFQs, “white papers” etc.
 - Prepare the Mentor/Protégé and Partnering Agreements and manager execution
 - Manage Small Businesses during contract execution

National Defense Magazine, March 2008

“ It is no secret that small businesses are one of America’s biggest assets. Firms with fewer than 500 employees represent 99.9 percent of the nation’s 26.8 million businesses.

And it should come as not surprise that a large number of these small businesses are the incubators of many advanced technologies, including cutting-edge systems currently used by the U.S. military.”

Lawrence P. Farrell, Jr.
President, NDIA



Thank you for your time.

For more information, visit www.agilitylogistics.com

Mergers, Acquisitions and Small Business

Howland – May 2008



Background

Current

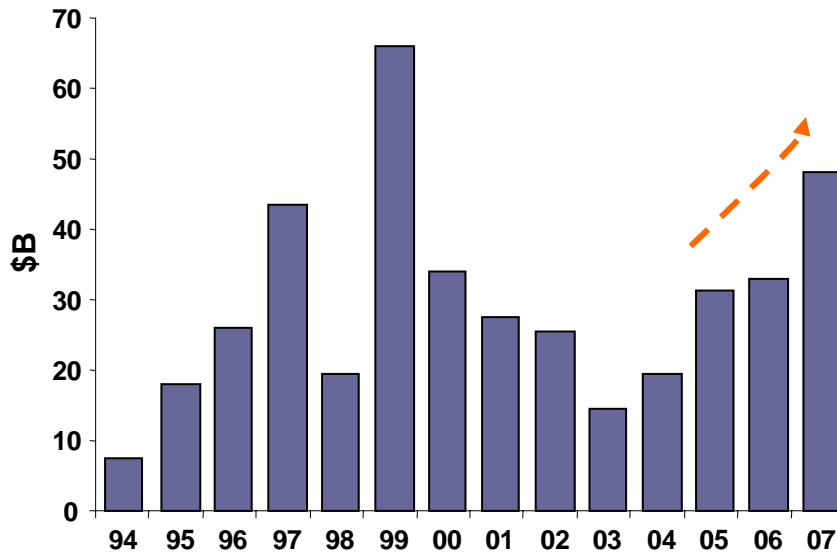
- **Director and GM, Retail Division, BAE Systems Products Group**
- **Formerly Armor Holdings Products Group**
- **Retail Portfolio includes:**
 - *Hatch* law enforcement and military gloves
 - *Hiatt* handcuff and restraints
 - *Protech* tactical apparel
 - *Kleenbore, Break-Free, B-Square, Speedfeed* weapon accessories
- **All were small business acquired between 1996 and 2006**

Past

- **Co-led M&A practice for DFI International (now Avascent Group)**
 - Advised defense services firm on Mod&Sim small business acquisitions
 - Advised large defense electronics firm on services acquisition
- **Strategy and M&A at Raytheon Company**
 - Led acquisition of UTD, a small business in intelligence services
- **Navy Surface Warfare Officer** (stationed at 32nd Street)

Current Trends in M&A

Estimated Defense M&A Deal Volume

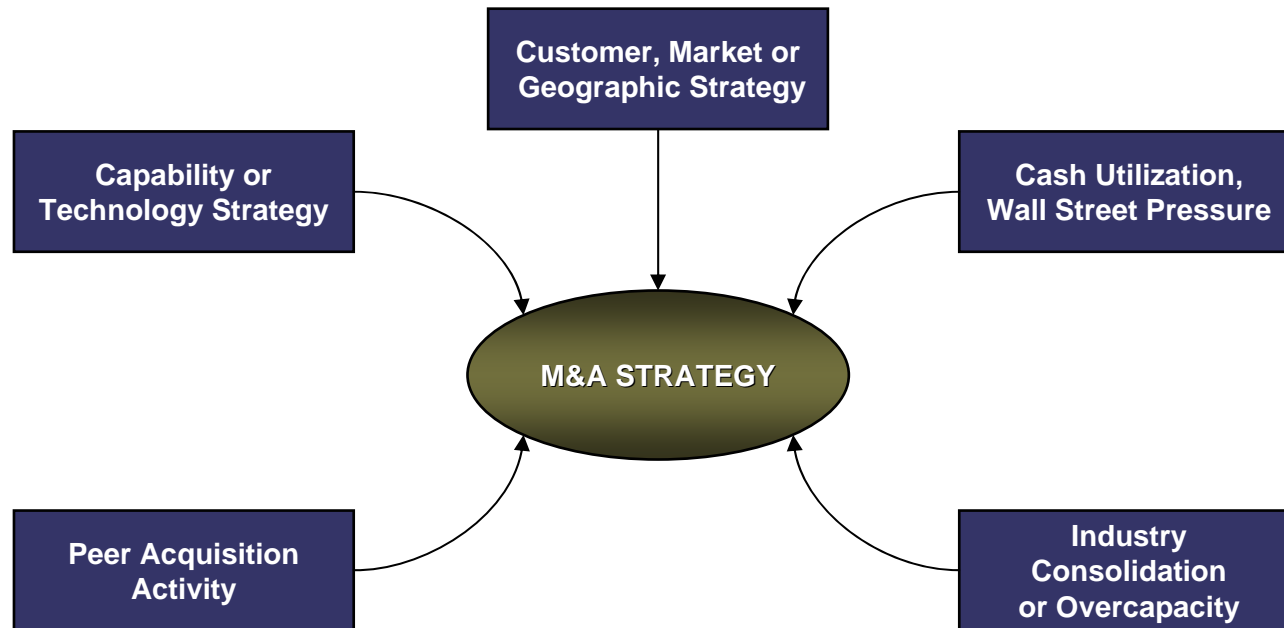


Source: Infobase DM&A articles, projections

Analysis

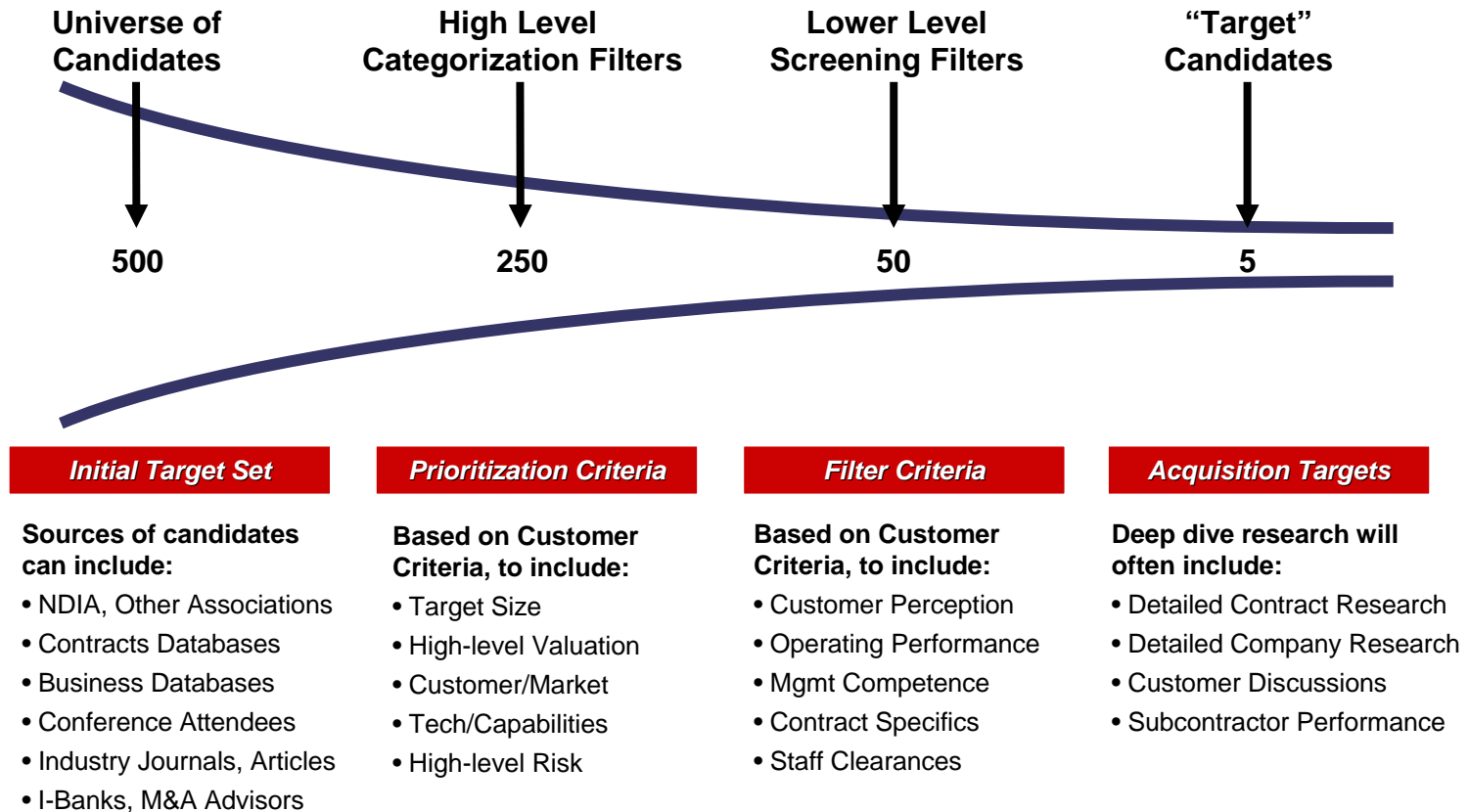
- Large deals drove the volume in 2007
 - Armor Holdings
 - Washington Group
 - Smiths
 - Raytheon Aircraft
- As expected, foreign firms (led by the UK) were prolific acquirers, directly or via new U.S. platforms
 - BAE Systems
 - QinetiQ
 - Meggitt
 - VT Group
- Logistics and high-end product support services became sought after in FY07
 - As did key component manufacturers down the supply chain

5 Key Factors Drive Prime M&A Strategies



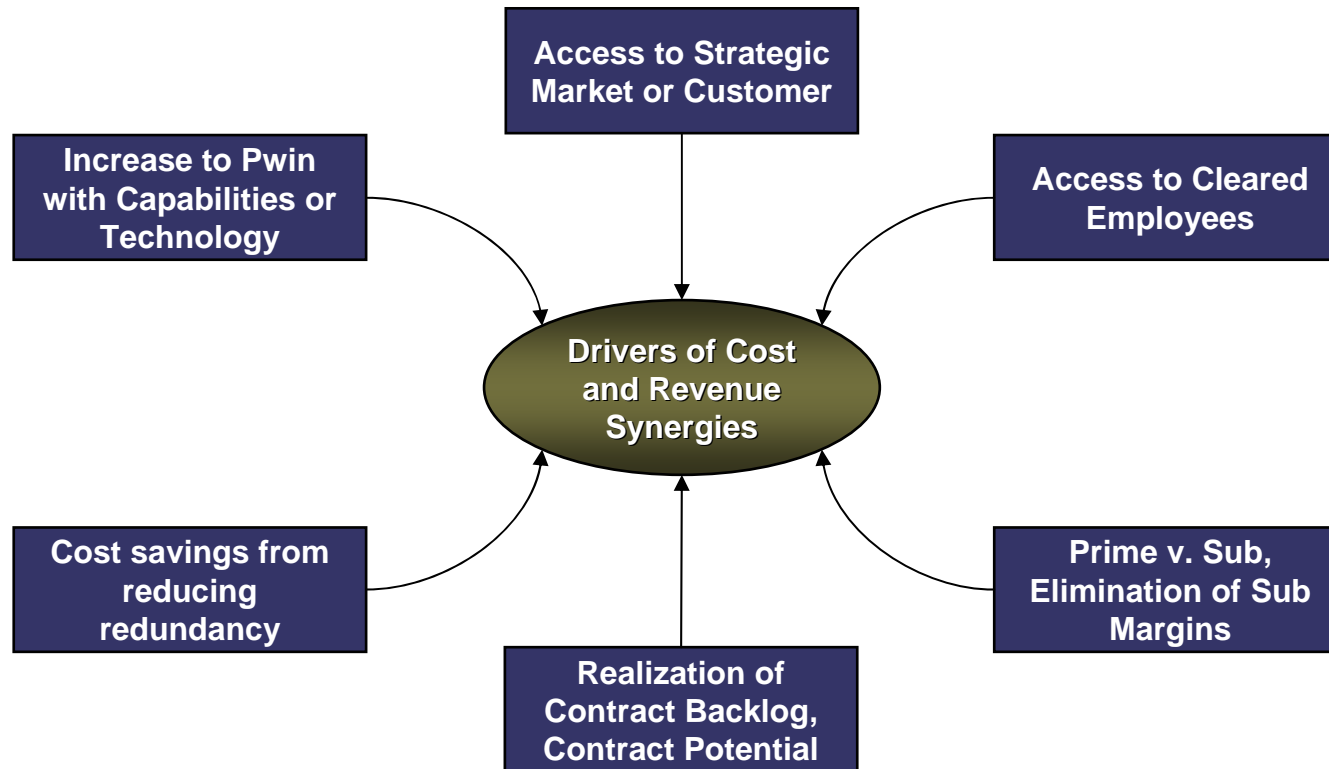
Example M&A strategy: Aggressive entry into Chem/Bio detection through fold-in acquisitions of leading CBRNE R&D firms in the \$50-\$100M revenue range

Ways that Primes Screen Candidates



Will also find candidates through teaming, subcontracting, competitions or personal relationships ... these candidates usually bypass the screening

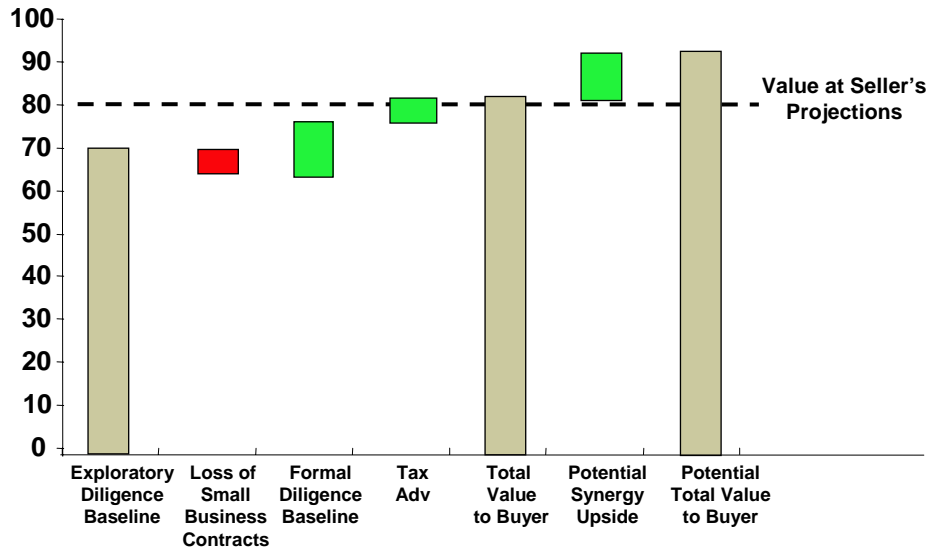
Factors in Exploratory Diligence



Buyers or their consultants will draft an “Investment Thesis” focusing on strategic fit and value for executive level and/or Board level decision-making

Factors in Valuations

Hypothetical Prime Valuation Scenario *



Factors in Valuation

- *Contracts* (full value, life, backlog, EACs, Prime v. Sub) to determine sustainability, risks, opportunities, including value of small business contracts
- *Customer base and relationships* to determine risks and opportunities
- *Capabilities and Technologies* (including IP and staff clearances) to quantify potential revenue synergies by allowing additional opportunity or raising capture probabilities
- *Financial metrics* (rates, book-to-bill ratios, revenue growth, margins, cash flow) to generate valuation model assumptions
- *Leadership/Management* to include analysis of a firm's cultural characteristics and the incentives offered to employees

The final price is a combination of a number of factors: target baseline value, synergy value, intensity of competition, what a target is willing to accept, etc.

Summary and Key Points

- **Get into key market niches within the larger markets Primes are targeting**
- **Once there, get yourself known**
- **Work closely with the primes in these markets and develop your company relationship with key customers**
 - Operational excellence and intimacy with a desirable customer set are the best ways to sell yourself
- **Transition your small business contracts where possible**
 - Besides allowing the Buyer to factor the full value of the contract into the valuation, it demonstrates the customer's reliance on your services
- **Ensure you have a compatible company culture and are not overly reliant on key management or personnel**
 - Don't be the firm that attracts employees with "off the wall" incentives that will not be replicable under a public company, compliance culture

Contact Information

Nick Howland

Office: 904 - 807- 4943

Mobile: 904 - 525 - 1761

E-mail: nick.howland@baesystems.com



Mastering Business
Development, Inc.



*NDIA
5th Annual National
Small Business Conference*



Winning Conversations:

*William B. Scheessele,
CEO/President, MBDⁱ*

*the Art of
Mastering [^] Business
Development*



Mastering Business
Development, Inc.



The 4 Challenges to Building & Leading a Strategic Business Development Organization

1. Assessing Operational & Tactical BD Plans
2. Personnel & Organizational Assessment
Realignment with Leadership Evaluation



Mastering Business
Development, Inc.



The 4 Challenges to Building & Leading a Strategic Business Development Organization

3. BD Process Design & Implementation with Operations Support
4. Professional Development Curriculum Design & Implementation



Mastering Business
Development, Inc.



Profile of Business Development Leaders

- They are the Top 3% in Their Profession
- Have Learned to Think Differently
- Understand Conceptual vs. Mechanical Challenges
- Study and Apply the Principles of Leadership



Mastering Business
Development, Inc.



Two Types of Revenue Generators

Strategic Growth

*Business
Development
“Hunter”*



Organic Growth

*Business
Development
“Farmer”*



Mastering Business
Development, Inc.



Leadership & Business Development

Being

Who We Are as an Individual

Knowing

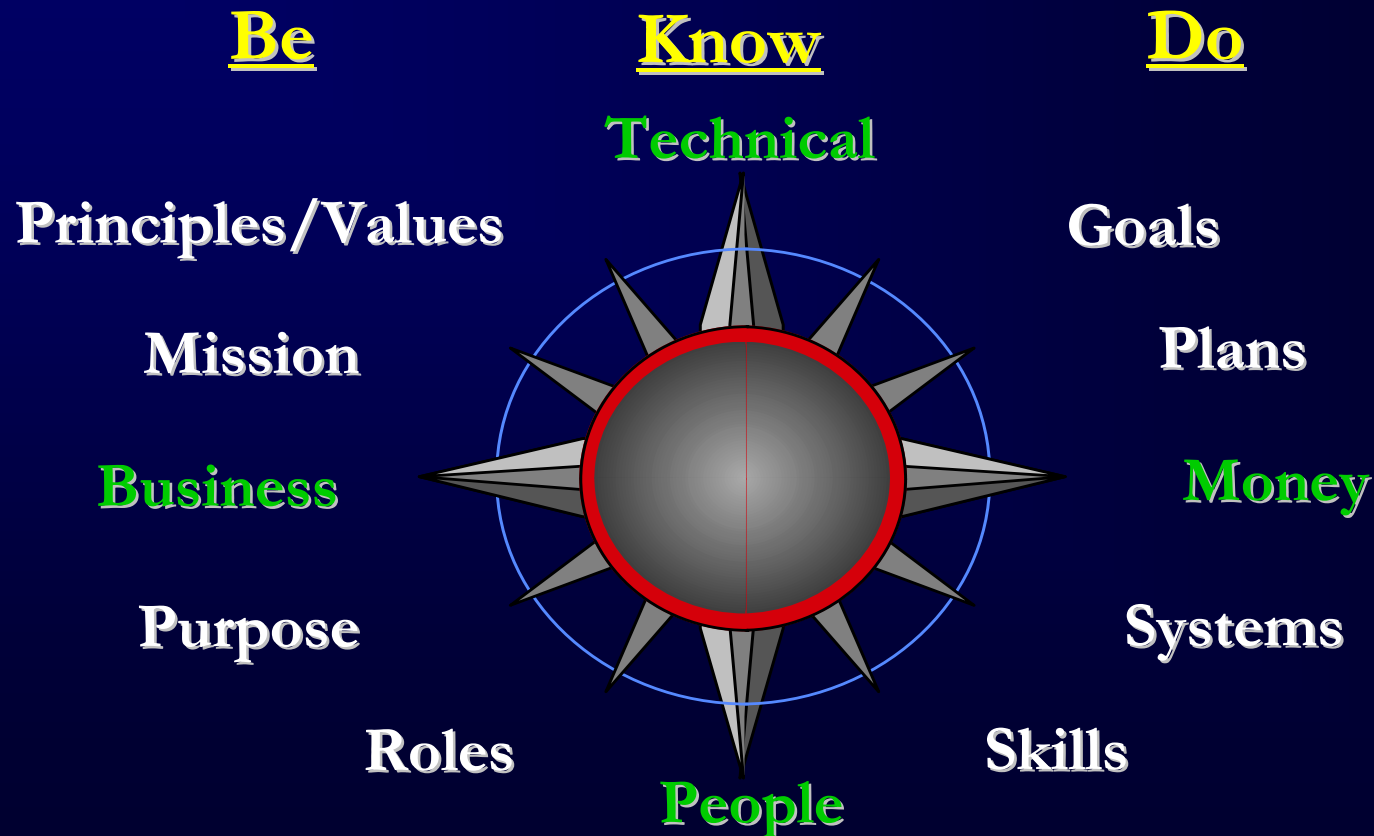
What We Know and Can Apply

Doing

What We Are Capable of Doing



The 12 Competencies of Business Development





Mastering Business
Development, Inc.



*BDⁱ Provides Business
Development
Resources to
Organizations that
Offer Intellectual
Capital as their
Product.*

SAIC From Science to Solutions™



LOCKHEED MARTIN
We never forget who we're working for™





Mastering Business
Development, Inc.



MBDi Core Competencies

Organizations

- Assessment, Evaluation & Sourcing of Business Development Leaders

- Building & Implementing Strategic & Tactical BD Plans

- Designing, Building & Implementing BD Processes for Strategic & Organic Revenue Growth

-



Mastering Business
Development, Inc.



*Thank You for Your Participation.
For Assistance with Your BD Challenges,
Please Contact Us!*



Call: 704 553 0000

Email: info@mbdi.com

Website: www.mbd.com



The background of the slide features a composite image. On the left, the dome of the United States Capitol building is shown at night, illuminated with warm yellow lights. The rest of the background is a large, semi-transparent American flag, with the stars and stripes clearly visible. The text is overlaid on this background.

NDIA Government Policy Department

Legislation Concerning Small Business

110Th Congress



What's Out There?

- Small Business Administration Reauthorization (S.2920)
- SBIR Reauthorization (H.R. 5819)
- Small Business Contracting Revitalization Act (S.2300 & H.R. 3867)
- Small Business Women's Procurement Program Improvement Act (S.2608)
- Military Reservist and Veteran Small Business Reauthorization and Opportunity Act of 2008 (Public Law 110-186)
- 3% Tax Withholding Requirement



S.2920 Small Business Administration Reauthorization Act

- Introduced on 4/28/08 as a Consolidation of Four Previously Submitted Bills:
 - S.1256 Small Business Lending Reauthorization and Improvements Act of 2007
 - S.1662 Small Business Venture Capital Act of 2007
 - S.1671 Entrepreneurial Development Act of 2007
 - S.2288 Small Business Lending Oversight and Program Performance Improvement Act of 2007
- All approved by Senate SB Committee; however, none considered in full Senate
- **STATUS:** Waiting for Senate Floor Action



H.R. 5819 SBIR Reauthorization

- Passed in the House 4/23/08 368-43
- Committee Recommended Agency Set-Aside Increases Deleted by a Floor Amendment
- Phase I Awards Increase to \$300K
- Phase II Awards Increase to \$2.2M
- Allows Application for Phase II Without Receiving Phase I Funding
- Encourages Grants to Veteran and Minority owned Businesses and Companies Located in Economically Depressed Areas
- Expands Venture Capital Firms Participation
- **STATUS:** Waiting for Senate Committee/Floor Action




S.2300 & H.R. 3867 Small Business Contracting Revitalization Act

- Improves Contracting Opportunities for SDVOSBs
- Expands Opportunities for Women Entrepreneurs
- Improves SBA Management of HUBZones
- Revises net worth limitations for participation in the 8(a) Program
- Increases the Size Limits on Contracts Eligible for Small Business Preferences
- Provides Incentives to Prime Contractors that Exceed Small Business Goals
- **STATUS:** Waiting for Senate Floor Action



S.2608 Small Business Women's Procurement Program Improvement Act

- Ensures SBA Properly Implements the Women's Contracting Procurement Program to meet the 5% Goal Set in 1994 but never met
- Substantially Broaden the range of Business Industries Eligible for Set-Asides as Part of the Women's Contracting Procurement Program
- Reverses SBA Proposed Rule Issued in December 2007
- **STATUS:** Pending Senate Committee Action



Public Law 110-186 Military Reservist and Veteran Small Business Reauthorization and Opportunity Act of 2008

- Increase SBA Funding for Veterans Business Development
- Establishes Interagency Task Force to Coordinate Federal Efforts for SDVOSB
- Increase Number of Veteran Outreach Centers
- Extends Time to Apply for a Disaster Loan as a Result of Essential Employees being called to Active Duty
- Requires SBA and DoD to develop a Joint Website on Programs Available to Veterans and Reservists
- Increases Time Limits for Loans Made to Veterans Called to Active Duty or Become Service Disabled
- **STATUS:** Signed into law on February 14, 2008



3% Tax Withholding Requirement

- 2005 Tax Incentive Bill Included a Requirement that 3% of all Federal Contracts be withheld - effective 2011
- New Requirement was Not Included in Either House or Senate Versions of the Tax Bill, "Magically" appeared in the Conference Report Signed by the President
- 2008 NDAA Required DoD to Study Impact of Implementation - DoD Report Last Month Reported the \$17 Billion would be Needed Over Five Years
- Numerous Bills Filed in the House and Senate to Repeal
- SBA to IRS: "The 3% withholding requirement will adversely impact all small business...(they) will be forced to increase their debt level to ensure sufficient cash flows and be forced to pass on these additional expenses...(and it) will force many small firms...out of the Federal contracting business." (April 24, 2008)
- **STATUS:** Waiting House/Senate Floor Action on Pending Repeal/Delay Bills

Expanding Beyond Your Local Area Is Not Done ad-hoc --- It Is The Result of a Well Thought Out and Executed Plan.



Why do you want to go beyond your local area?



What mechanism (Strategy) fits your business model best.



Your Message – what is it, where should it go, what will be its focus?



How much can you afford (not afford?) to invest?



Who is going to carry your message (and make the repeated calls necessary for success)?

ALANSA INTERNATIONAL, LLC

Resident Business Agent Services in the Washington, D.C. Area
at a Fraction of the Cost of Full Time Representation.

www.alansaglobal.com



The Fundamental Steps



Make A Plan



Fund the Plan



Actualize the Plan



Monitor and Manage the Plan

ALANSA INTERNATIONAL, LLC

Resident Business Agent Services in the Washington, D.C. Area
at a Fraction of the Cost of Full Time Representation.

www.alansaglobal.com



The Opportunity Picture: FABULOUS



Be a Prime
US Army Contract Agency ITEC 4 for Small Business



Be a Sub on a large contract outside of your area .
Navy NGEN.



Be Innovative ---SBIR (11 DOD agencies & 10 NON
DOD Departments & Agencies)



RESEARCH



ALANSA INTERNATIONAL, LLC

Resident Business Agent Services in the Washington, D.C. Area
at a Fraction of the Cost of Full Time Representation.

www.alansaglobal.com

Tue Oct 23 07:56:31 2007

FLIR
SYSTEMS

23-OCT-2007
08:00:17



Firestorm 2007



San Diego County



The Response

- 3 days of sustained winds over 40mph
- Gusts of up to 90 mph
- Humidity less then 10%
- 6 separate fires



The Result

- 368,000 acres burned



- 10 fire related deaths
- 1,751 residences and businesses destroyed

Evacuations

- Reverse 911 – 587,000 calls made
- 515,000 residents evacuated



A Community United



Shelter Operations



- Over 20,000 people sheltered
- 45 shelters
- 2 mega-shelters

Animal Services



- Over 2,000 large animals at Del Mar
- Pet Shelters co-located with Red Cross Shelters

Utilities

- Challenge to maintain electrical power
- Water issues due to power outages
- Phone Communications disrupted in many communities

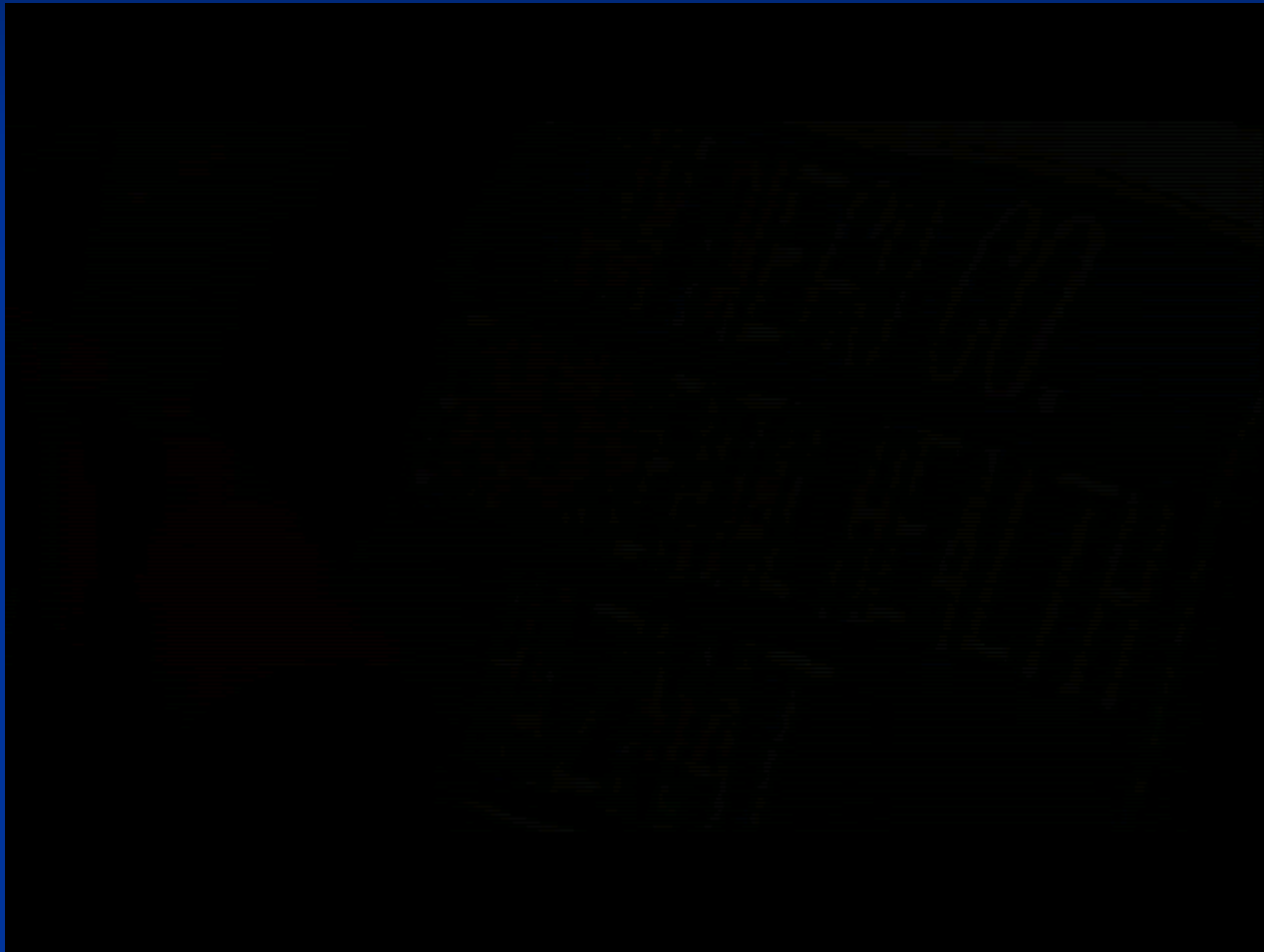


Emergency Operations Center

- 85 Agencies
- Situational Awareness – WebEOC
- Regional Leadership

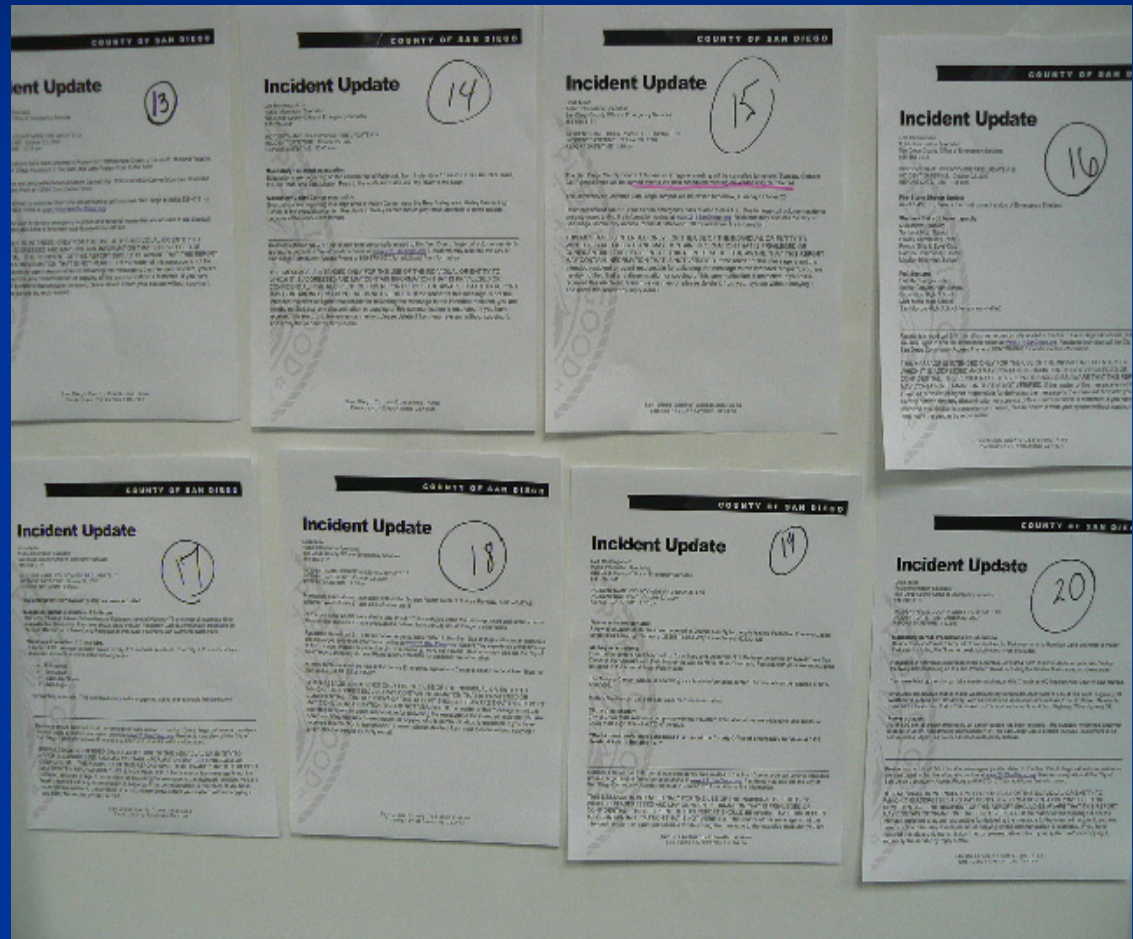


EOC Operations



Joint Information Center

- Over 200 press releases
- 211 – 109,000 calls received in first week
- Emergency Website



Liaison Operations



- Military
- Private Sector
- Transit
- Schools
- CERT

Communications

- Regional Communications was key
- 264 agencies using 800 megahertz



Medical Operations

- Separate Medical Operations Center
- 3 Hospital evacuations
- Special needs populations- 13 skilled nursing facilities evacuated



GIS

- Current Maps within 3 hours of activation



Principles learned to mitigate future disasters in San Diego



1. Advanced Preparation

- Public Awareness Campaign
- CERT and Community involvement
- Brush Management

Family Disaster Plan and Personal
Survival Guide



Preparedness Starts with You!

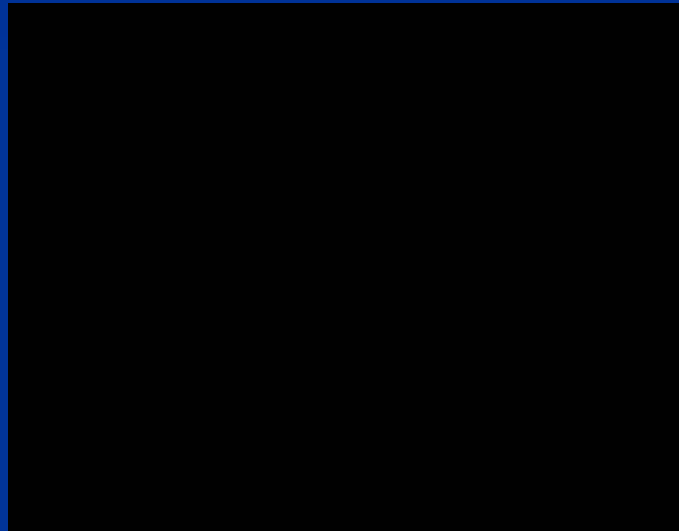
**Create a Family
Disaster Plan**

For information visit our Web site:
www.sdcountry.ca.gov/oes/community/families

Or call (858) 565-3490

A message from San Diego County's Office of Emergency Services

Public Service Announcements



2. Begin Recovery Early

- Recovery efforts began on the first day
- First Local Assistance Center opened while evacuations were still going on
- Public expectations, and scrutiny of recovery is high
- Meet early with FEMA



3. Public Communication is paramount to success

- Over communicate
- Send blast e-mails frequently (as often as every 15 minutes)
- Coordinate regional message at JIC
- Unity is critical
- Current Website and 211 are invaluable



Consistent Messaging



4. Prepare for the most likely events, but maintain flexibility to adjust to the unanticipated

- Communication systems
- COOP
- Regional Exercises
- Regional Planning



5. Public Private Partnership

- Disaster Response is a community effort
- Include community groups and businesses in disaster planning



6. Post-Disaster Response

- Important to not “just fight the last war”, but to think strategically and multi-hazard
- Long-term solutions are more important than short term fixes



Questions?



Expanding From Defense To Other Markets



NDIA Conference, May 2008



Speaker Background

Gregory Nelson

- Background in large IBM software (IBM 360/370/390)
- QUICKSTART, DL/2, Hourglass 2000, IDEAL/Datacom to COBOL/DB2 conversion
- First two customers: Wal-Mart & Kodak
- Some of my Government Customers:
 - NSA and CIA
 - Dept of Veteran Affairs
 - United Space Alliance
 - US Government Printing Office
 - IRS
 - State & City Governments
- Chairman, SCORE Naples (www.scorenaples.org)

Why Expand?

NDIA Conference, May 2008

- Improve the bottom line
- Increase your options in difficult times
 - Much like a balanced portfolio
 - Expand the uses for your products/services

What's Going to be Different?

NDIA Conference, May 2008

- Speedier contracts
- Potential for more competitors, including major competitors from international companies (that DOD contractors may not be used to dealing with).
- The commercial market requires a different mind set for marketing, engineering and distribution.

What's Going to be Different?

NDIA Conference, May 2008

- The commercial customer is interested in meeting their needs at the lowest possible cost and not buying the best technical solution regardless of price.
- You will have to fund research, investment, overhead, training and other expenses that might have otherwise been reimbursable on government contracts.
- You need to stop focusing on reimbursed expenses and focus on smart investment.

What's Going to be the Same?

NDIA Conference, May 2008

- Importance of understanding how the buying decision is made
- Best solution doesn't always win
- Importance of “past performance”

Brainstorming Your Talents and Your Market

NDIA Conference, May 2008

- The more vertical the markets, the better for the marketers, but the stronger the competition might be.
- Take the time to research your opportunities to create your niche

Secrets to Success

NDIA Conference, May 2008

- Find your niche and be the best
- Treat your customers like Gold
- Listen and Act, as time DOES matter
- Use strategic partners for both marketing and implementation

Secrets to Success

NDIA Conference, May 2008

- Utilize professionals to help you succeed
 - Make use of CPA's, Attorneys, Insurance Agents, Bankers and Consultants to help you make good business decisions
 - Domain experts need to be hired as a supplement to current staff;

SCORE Can Help!

NDIA Conference, May 2008

- Almost 400 Chapters Nationwide with 10,500 volunteers.
- Face-to-Face Counseling
- Cyber Counseling
- Free and Low-Cost Workshops
- Online Resources (Nationally and Locally)

SCORE Can Help!

NDIA Conference, May 2008



Live Your Dream. SCORE Can Help.

To find the office nearest you, call SCORE toll-free at 1-800/634-0245, or visit www.score.org and click on "Find SCORE."

- How do you find us? Visit www.score.org and use the FIND SCORE box
- Use us regularly or use us spontaneously as a sounding board
- www.scorenaples.org and www.score-sandiego.org

SCORE Workshops

National Web-based and Local Workshops



Whether you want to start or grow your business, SCORE workshops are a valuable way to learn more about doing business and a convenient forum for networking with other business professionals who can help you succeed.

SCORE offers more than 6,500 local business workshops each year across the country. These low-cost seminars focus on important small business issues, ranging from business planning and marketing to Web-based retailing.

Panel Discussion

NDIA Conference, May 2008



- Our Panelists:
 - Gregory Nelson, Naples, FL
 - Monty Dickinson, San Diego
 - Dick Leslie, San Diego
 - Mary Lou O'Keefe, San Diego



Magnitude Of The MDA SBIR Program

FY	Program	# Topics	# Phase I Proposals	# Phase I Awards	# Phase II Awards
FY03	SBIR	102	1,861	454	184
	STTR	6	60	41	6
	Total (\$136.869M)	108	1,921	495	190
FY04	SBIR	87	1,712	315	211
	STTR	24	275	46	29
	Total (\$141.692M)	111	1,987	361	240
FY05	SBIR	96	1,690	242	101*
	STTR	21	232	29	16
	Total (\$138.896M)	117	1,922	271	117*
FY06	SBIR	69	1,508	174	121
	STTR	13	177	26	16
	Total (\$133.105M)	82	1,685	200	137
FY07	SBIR	54	1,165	164	99
	STTR	11	111	24	13
	Total (\$142.511M)	65	1,276	188	112

Focus Resources On Phase II Efforts And Transitioning To Phase III

*started to fully fund Phase II's instead of incrementally funding

Approved for Public Release ms-109812 / 080207
08-MDA-3505 (9 MAY 08)

MARKETING YOUR COMPANY OUTSIDE YOUR LOCAL AREA

***Ralph C. Thomas III, Esquire
Counsel -Government Contracts Section
Washington, D.C.***

Buchanan Ingersoll PC
ATTORNEYS

❖ IDENTIFY YOUR CUSTOMER(S)

❖ RESEARCH YOUR CUSTOMER

- Websites
- Publications
- What Am I Looking For
 - Do They Buy What I'm Selling?
 - How Do They Buy It?
 - What About Small Business Friendly Initiatives

Buchanan Ingersoll PC
ATTORNEYS

❖ **MARKETING YOUR CUSTOMER**

- First Contact – OSDBU
- Follow Up on Research
- Show Your Knowledge of Customer
- Get Specifics
- Who is the Program Person (the real guy)
- Investigate How Much OSDBU Will Do
- Sign Up For Small Business Friendly Initiatives

Buchanan Ingersoll PC
ATTORNEYS

❖ **MARKETING TO THE REAL GUY**

- Get in Front of Him
- Tell Her Who You Are
- Tell Him What You Want
- Tell Her Why You're the Best Company to Have It
- Ask Him for Advice on Getting It

Buchanan Ingersoll PC
ATTORNEYS

❖ **TARGETING A PROCUREMENT**

- A Prime Contract
- A Subcontract
- Use Your Assets
- Do Your Research
- Evaluate Your Shot

Buchanan Ingersoll PC
ATTORNEYS

❖ **COMPETING FOR THE REQUIREMENT**

- The Proposal
- The Debriefing
- What to do if You Win
- What to do While Performing
- The Closeout
- Leveraging the Experience

Buchanan Ingersoll PC
ATTORNEYS

CONTACT INFORMATION

- ❖ **Buchanan Ingersoll & Rooney PC**
- ❖ **1700 K Street, NW, Suite 300**
- ❖ **Washington, D C. 20006**
- ❖ **(202) 452-5472**
- ❖ **Fax (202) 452-7989**
- ❖ **Email: ralph.thomas@bipc.com**
- ❖ **Website: [www:bipc.com](http://www.bipc.com)**

Buchanan Ingersoll PC
ATTORNEYS

Business Models for Delivering Technology and Innovation-based Services

Presented by
Larry Trammell
May 21, 2008

WWW.TECHFLOW.COM



AGENDA

- INTRODUCTION
- GOVERNMENT SERVICES MARKET
- BUSINESS MODELING



TECHNOLOGY & INNOVATION-BASED SERVICES

- TECHNOLOGY SERVICES
 - COMMODITY
 - TENDS TOWARD LOW COST, TECHNICALLY ACCEPTABLE AWARDS
- INNOVATION-BASED SERVICES
 - HIGH VALUE – HIGH SKILL
 - TENDS TOWARD BEST VALUE AWARDS



BUSINESS MODELS

- SET OF BUSINESS LOGIC THAT DRIVES VALUE TO THE ENTERPRISE
- RESULTS IN PROFITABLE AND SUSTAINABLE REVENUE STREAM
- PRICING OF SERVICES



COMPETITIVE AWARDS

- DESIGN TO PRICE
- FLEXIBILITY AND INNOVATION
 - ONE SIZE DOES NOT FIT ALL



COST & PRICE ANALYSIS

- CUSTOMER
- COMPETITOR
- COMPANY



CONCLUSION

- SMALL COMPANIES ARE MORE ADEPT TO OFFER INNOVATION AND FLEXIBILITY IN BUSINESS MODELS
- BIG COMPANIES NEED TO LEARN TO ACT SMALL IN THESE WAYS
- SMALL COMPANIES NEED TO LEARN TO ACT BIG IN EVALUATING WHAT BUSINESS MODELS TO APPLY

